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South-South cooperation for development

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Review of progress made in implementing the Buenos Aires Plan of Action, the new directions strategy for South-South cooperation and the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation

Summary

The present report reviews the progress of South-South cooperation during the period 2014-2015 within the framework set by the 1978 Buenos Aires Plan of Action, the 1995 new directions strategy for South-South cooperation and the Nairobi outcome document adopted in 2009 by the High-level United Nations Conference on South-South Cooperation. It looks at important initiatives and achievements of developing countries, support for South-South cooperation from developed countries through triangular cooperation, and the roles of the United Nations system, civil society and the private sector.

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I. Introduction

1. South-South cooperation made a notable impact on development assistance, trade and investment, infrastructure development and remittances during the reporting period despite the slowdown in economic growth in major emerging economies. The most recent estimate of the value of annual South-South cooperation for development is $20 billion (see A/70/311, para. 9). That figure does not capture the importance of South-South collective negotiation and knowledge-sharing activities that were central to three important policy processes during the review period: setting a 15-year global agenda for sustainable development, indicating the means of financing it, and agreeing how to limit the atmospheric warming that contributes to climate change. Diverse stakeholders participated in each process from the subregional to the global level, laying the foundation for several different international agreements that are related. The first will frame national action to 2030 on 17 major development goals and 169 targets; the second underlines how that agenda is to be financed; and the third aims to restrict the net atmospheric impact to a minimum.

2. Similar South-South cooperation processes shaped developing-country responses to, inter alia, infrastructure deficits, access to affordable medicines, regional threats to peace and security, trade and investment issues, and the challenges of creating a global information society. Overall, South-South cooperation has engaged diverse countries and 10 subgroups within the Group of 77, while making space for sovereign choice. The results have been impressive. In Africa, unprecedented intraregional trade and investment flows reflect the emergence of patterns of growth driven by domestic consumption and structural reforms. In Asia, the majority of countries continue to grow at a steady pace and, despite slowing growth in China, important structural and infrastructural initiatives are opening up enormous potential in the region. A decade of rapid growth in Latin America has created a middle class that, for the first time in history, outnumbers the poor.[1] The South-South cooperation underpinning those achievements has received growing support from developed countries, the United Nations system, civil society and the private sector.

3. All of the above is a direct or indirect legacy of implementing the 1978 Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Development Countries, as reoriented by the 1995 new directions strategy and then by the 2009 Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation.

4. The present report provides an illustrative rather than exhaustive overview of the major developments in South-South cooperation and progress made in the implementation of the Buenos Aires Plan of Action, the new directions strategy and the Nairobi outcome document. Despite the considerable progress to date, the contributions of South-South cooperation, especially in the context of the new, transformative sustainable development agenda, can still be maximized. The fortieth anniversary of the Buenos Aires Conference in 2018 could thus be an opportune moment for the international community to take stock of what has been achieved to

[1] Louise J. Cord, Leonardo Lucchetti and Carlos Rodriguez-Castelan, "Shifting gears to accelerate shared prosperity in Latin America and Caribbean" (Washington, D.C., World Bank, 2013).

date and decide how to take advantage of the opportunities that lie ahead in implementing the 2030 Agenda for Sustainable Development.

II. Global context and trends

5. In the decade preceding 2011, South-South trade rose from one fifth to approximately one fourth of world trade, about equal to North-North trade. Since then, it has remained at $5 trillion as North-South trade grew to 40 per cent of world trade by 2013 (see A/70/277, para. 3), with uneven benefits. The share of 48 least developed countries in world exports increased over the same period from 0.5 per cent to 1.1 per cent, an historic high.[2] Slowing Chinese demand for commodities has affected all emerging economies, however, but some sectors did well. Asia and Latin America were most responsible for the doubling in the value of world commercial services exports over the last decade: in 2014, it reached an unprecedented $4.9 trillion (ibid., para. 4).

6. As foreign direct investment (FDI) flows into the global South reached a new high of $741 billion in 2015[3] and developing Asia remained the world's largest recipient region with over $500 billion, emerging economies generated a record 36 per cent of global investment outflows in 2014, up from 12 per cent in 2007 (see A/70/311, para. 11). Over half of FDI outflows from developing countries in 2013-2014 were in equity, usually associated with greenfield investments,[4] and much of it was intensifying South-South economic relationships. That included developing-country corporations acquiring the assets of developed-country multinational enterprises in the South, investing almost $500 billion abroad in 2014, a 30 per cent increase from the previous year.[4]

7. Chinese, Indian and United Arab Emirates firms continue to be notable investors in Africa. The rise of these Southern investors has been a new factor underpinning FDI flows into Africa in recent years.[4] In terms of annual flow, Chinese FDI to Africa in 2013-2014 was reportedly 4.4 per cent of the total.[4] Meanwhile, greenfield investments in African manufacturing and services are increasing from China, India and South Africa to meet the rising local demand from a growing middle class. Chinese FDI to Africa also reflects the effort of manufacturing companies to shift production to lower-wage countries.

8. South-South cooperation is largely financed from developing-country resources (as enjoined in the Buenos Aires Plan of Action), and several mechanisms deepen South-South financial interactions, including currency swaps[5] and new banks.[6] Currency swap arrangements since 2013 include China-Brazil (CNY 190 billion/ BRL 60 billion); Republic of Korea-Malaysia (KRW 5 trillion/MYR 15 billion);

[2] World Trade Organization, *International Trade Statistics 2015* (Geneva, 2015).

[3] United Nations Conference on Trade and Development, *Global Investment Trends Monitor*, No. 22 (20 January 2016).

[4] *World Investment Report 2015: Reforming International Investment in Governance* (United Nations publication, Sales No. E.15.II.D.5).

[5] Currency swaps are agreements among countries to guard against external imbalances and shocks to their financial systems by pooling their own currencies for trade and investment.

[6] Sachin Chaturvedi, "Growing dynamism in South-South cooperation", in *Development Cooperation Report 2014: Mobilizing Resources for Sustainable Development* (Organization for Economic Cooperation and Development, Publishing, Paris, 2014).

Republic of Korea-United Arab Emirates (KRW 5.8 trillion/AED 20 billion); and Republic of Korea-Indonesia (KRW 10.7 trillion/IDR 115 trillion).[6] The Chiang Mai Initiative of the Association of Southeast Asian Nations (ASEAN), China, Japan and the Republic of Korea in the wake of the Asian financial crisis of 1997 is now double its initial $120 billion. India has listed 23 potential currency swap partners.[6] New banks are discussed later in the report.

9. International migrant remittances continue to outpace official development assistance (ODA) by a wide margin (except in least developed countries, where ODA constitutes 38 per cent of external finance (see A/70/277, box 1)). They were estimated at $436 billion in 2014 and projected at over $440 billion in 2015.[7] South-South migration accounted for 37 per cent of global migrant stock, larger than South-North migration at 35 per cent, and associated remittances represented 34 per cent of the total.[7] The Asia-Pacific region leads the South with $218 billion in remittances (plus revenues of $4 trillion and private savings of $6 trillion). India, China and the Philippines are the top recipients. Remittances to Africa have increased sixfold since 2000, and the current flow of over $60 billion is projected to grow in the next decade to $200 billion.[8]

10. A notable global trend that is positively affecting South-South cooperation is a rapid increase in connectivity within and among developing countries as a result of the spread of wireless networks. In 2015, developing countries had the majority of the world's 7.1 billion mobile phone subscriptions and two thirds of the 3.2 billion broadband Internet connections.[9] By 2014, all 193 United Nations Member States had national websites, 101 enabled citizens to create personal online accounts, 73 to file income taxes, and 60 to register a business.[10] This reflects a larger digital revolution that has opened the door to formerly unimaginable levels of South-South interaction.

11. A global trend having a very negative impact on South-South cooperation has been illicit financial outflows from developing countries. Global Financial Integrity[11] estimated that in 2013 (the latest figures), developing countries lost $1.1 trillion in illicit transfers mainly from mispricing of trade, tax evasion and organized crime operations. The loss was roughly 1.3 times the $858 billion in total FDI and 11.1 times the $99.3 billion in ODA in 2013. A 2015 Global Financial Integrity report put the total illicit transfers out of developing countries between 2004 and 2013 at $7.8 trillion. According to the Economic Commission for Latin America and the Caribbean (ECLAC), illicit transfers cost Latin America $154 billion in 2012, exceeding FDI of $129 billion; it was more than twice the $63 billion in remittances and 10 times the $10 billion in ODA to the region (see E/2015/15, para. 18). Owing to

[7] World Bank, Migration and Development Brief, No. 24 (April 2015).

[8] Abdalla Hamdok, ed., *Innovative Financing for the Economic Transformation of Africa* (Addis Ababa, Economic Commission for Africa, 2015), p. 27.

[9] In 2014, the Connect 2020 Agenda for Global Telecommunication/ICT Development, adopted by the 2014 Plenipotentiary Conference of the International Telecommunication Union, held in Busan from 20 October to 7 November 2014, set a minimum target of 50 per cent home Internet access for developing countries (15 per cent for least developed countries).

[10] World Bank, *World Development Report 2016: Digital Dividends* (Washington, D.C., 2016).

[11] Global Financial Integrity is an internationally recognized authority on illicit financial flows cited by the Group of 20, OECD, the Financial Action Task Force, the United Nations and regional intergovernmental bodies. Its analyses are based on published data from the World Bank and other official sources.

illicit transfers, Africa has been a net creditor to the rest of the world every year since 1983. Illicit transfers finance a wide range of criminal activities that constrain or block South-South cooperation. To combat them, developing countries have urged increased transparency in tax matters and curbs on anonymously owned shell companies.[12]

III. Developing countries

A. Africa

12. South-South and triangular partnerships are enhancing trade, investment, infrastructure development, industrialization and agricultural productivity in Africa. With approximately 15 per cent of the world's population, Africa accounts for only a little over 3 per cent of global trade. Over the past decade, much of that trade has been reoriented towards Southern partners. Brazil, China and India now account for a quarter of Africa's total exports, up from a little over 10 per cent in 2005. The European Union remains the top export market for Africa. China now takes more of African exports than the United States of America; India is in fourth place and Brazil in sixth place. Those three emerging economies now also account for nearly 22 per cent of Africa's imports of $501 billion, up from 13 per cent in 2005. Declining commodity prices cut the value of African exports by 3 per cent in 2014 and slowed the gross domestic product (GDP) growth rate of the region to 4.3 per cent in 2014 (from 5 per cent in 2013) (see A/70/278, para. 5).

13. While three quarters of all African merchandise exports to the rest of the world continue to be primary commodities (see E/ECA/CRCI/9/4, para. 1), intraregional trade has grown 11 per cent annually between 1999 and 2013, far outpacing the 4.4 per cent rise of GDP. Manufactured and intermediate goods constituted 35.5 per cent of intra-African trade in 2014, up from 33.8 per cent in 2010. Tourism and financial services have contributed the most to growth.[2] Tariff and non-tariff barriers to trade within African subregional groupings have fallen and intra-African exports grew by 50 per cent between 2010 and 2013 and by another 11.5 per cent in 2013 to $61.4 billion. However, that rapid growth was mainly within subregions. The African Development Bank reported that the share of exports between African subregions increased only from 11.3 per cent in 2012 to 12.8 per cent in 2013.[13]

14. Between 2007 and 2013, South Africa was the biggest African investor in the rest of the continent, with its stake growing annually at 44.2 per cent. Nigeria was also a significant investor in the rest of Africa, focusing mainly on the financial sector. In 2014, intra-African flows were some of the most significant sources of foreign investment in low-and-middle-income countries such as Burundi (79 per cent), Namibia (42 per cent), Rwanda (62 per cent), South Sudan (64 per cent) and Uganda (45 per cent). Growing consumer markets, improving business conditions and connectivity are driving intra-African investment in financial services, telecommunications, cement, food retail and energy.[13]

[12] Asia-Pacific countries have called for a regional tax forum. India and the United States of America are considering curbs on shell companies.

[13] African Development Bank, OECD and United Nations Development Programme, *African Economic Outlook 2015: Regional Development and Spatial Inclusion* (OECD Publishing, 2015).

15. In January 2014, the African Union adopted Agenda 2063, a 50-year vision mandated the previous year by the African Union Summit to commemorate the fiftieth anniversary of the Organization of African Unity/African Union. The Agenda identifies a number of flagship projects, including agreement on an African passport, "silencing the guns" by 2020 and a high-speed railroad. The first 10-year plan of action of Agenda 2063 was adopted in 2015. The stocktaking during the fiftieth anniversary highlighted another achievement of the Organization of African Unity/African Union: that 387 million sub-Saharan Africans lived in democratically ruled countries in 2013, as opposed to 2.5 million in 1970.

16. Negotiations on a continental free trade area in Africa began in June 2015 with the aim of concluding an agreement by the end of 2017. Several subregional initiatives in 2015 will facilitate that outcome. The weightiest is a Tripartite Free Trade Area Agreement signed by the Common Market for Eastern and Southern Africa, the East African Community and the Southern African Development Community. Also significant is the Common External Tariff launched by the Economic Community of West African States (ECOWAS) on 1 January 2015. Meanwhile, members of the Arab Maghreb Union have signed three out of the four protocols needed to create their own free trade area.

17. Following the adoption of the 2030 Agenda, the Economic Commission for Africa has been charged with launching a regional consultation process to establish a forum on sustainable development and defining its working parameters. The last two years have also seen efforts to reinvigorate action on the Comprehensive Africa Agriculture Development Programme and the Programme for Infrastructure Development in Africa. The former, launched in 2003 at Maputo, is a policy framework for agricultural transformation; in 2014, at Malabo, an African Union Summit marked its tenth anniversary by deciding to end hunger in Africa by 2025. To that end, 10 per cent of national budgets will go to the development of agriculture and a Comprehensive Africa Agriculture Development Programme Momentum Results Framework will help to monitor progress towards goals such as halving post-harvest losses, improved food security and increased resilience.

18. In East and Southern Africa, a North-South Corridor is envisaged, linking the Common Market for Eastern and Southern Africa, the East African Community and the Southern African Development Community Tripartite Free Trade Area. Other spatial development projects include the Maputo Development Corridor and the 8,000-km trans-Africa North-South Corridor linking Dar es Salaam in the United Republic of Tanzania to Durban in South Africa, the continent's biggest port. South-South Cooperation is laying the foundations for spatial inclusion and linkage on which the African Common Market will be built.

19. From the foregoing, it can be concluded that South-South cooperation is contributing to a more integrated Africa as envisaged in the objectives of the African Union and the New Partnership for Africa's Development.

B. Asia-Pacific

20. Coordinated trade promotion, the enhancement of regional integration and infrastructure development have been facets of South-South cooperation in the Asia and the Pacific region in the reporting period. In a region where South-South trade accounts for 54 per cent of total merchandise exports and 53 per cent of imports, up

in the last 15 years from 27 per cent and 34 per cent, respectively, subregional participation varies widely.[14] It is lowest in South Asia (6 per cent), Central Asia (7 per cent) and Pacific islands (7 per cent). The trade of those subregions with the rest of Asia is much larger, however, especially in the case of the Pacific region (63 per cent).[14] One third of Central and South Asian trade is with other Asian economies, and that is expected to increase as a result of coordinated trade promotion. Asia's largest intra-subregional trade is within ASEAN plus China, Japan and the Republic of Korea (45 per cent). ASEAN trade with the rest of Asia is 44 per cent of its total trade, but among its own members, the figure has remained below 25 per cent for several years.[14]

21. Two notable steps towards greater regional integration in Asia were the December 2015 proclamation of the 10-member economic community of ASEAN and the appointment of a permanent secretariat for the seven-member[15] Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. Since the Bay of Bengal Initiative includes members of both ASEAN and the South Asian Association for Regional Cooperation (SAARC), it would be an organic bridge between two groups with potentially enormous synergies. The appointment in 2015 of a Secretary-General of the Bay of Bengal Initiative has raised expectations of accelerated regional development; some 100 projects have been identified for priority action led by designated countries. At the same time, India has reached a ground-breaking oil agreement with the United Arab Emirates and is pursuing a free trade area with the Gulf Cooperation Council. On a wider Asian canvas, Chinese-initiated talks are continuing on a mega-trade pact, the Regional Comprehensive Economic Partnership of Asia-Pacific countries.

22. During the review period, in Asia, there were a number of South-South efforts reflected in infrastructure initiatives at various stages of preparation and implementation. They include the Central Asia Almaty-Bishkek highway partly financed by the Asian Development Bank, the Bangladesh-India Electrical Grid Interconnection Project funded by the two Governments, the Turkmenistan-Afghanistan-Pakistan-India Natural Gas Pipeline Project, the $500 million ASEAN Infrastructure Fund, and China's $40 billion Silk Road infrastructure fund. Over the period 2010-2020, remedying the infrastructure deficit of Asia-Pacific countries in energy, transport, telecommunications, water and sanitation will require approximately $8.22 trillion. "Over the same period, about $320 billion will be required for more than 1,200 regional infrastructure projects."[14] In Afghanistan and parts of West Asia, the recovery from years of armed conflict will impose a heavy additional charge. Members of the Economic and Social Commission for Western Asia have called for a feasibility study to establish an Arab bank for reconstruction and development to meet a financing gap of $3.6 trillion for the period 2015-2030 (E/2015/15, para. 25).

23. In a period dominated by horrific news about the travails of African and Syrian refugees, the largely positive story of migrants in the Asia-Pacific region has slipped under the radar of public attention. Of the estimated 231.5 million migrants in the world in 2013, over 95 million came from the Asia-Pacific region and over 59

[14] Asian Development Bank, *Asian Economic Integration Monitor: November 2014* (Mandaluyong City, Philippines, 2014).

[15] Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand.

million were in the region itself.[16] Predominantly a South-South phenomenon, the regional migrant flows are officially facilitated and regulated by Governments but managed by private agencies requiring improved regulation. It is notable that the concern expressed in the Buenos Aires Plan of Action about the brain drain from developing countries is now seldom voiced because experience has shown that highly skilled migrants create enduring beneficial linkages in both sending and receiving countries.[17]

24. Poverty reduction and other economic gains accruing from South-South cooperation in the Asia-Pacific region have considerable relevance for other regions in the context of the 2030 Agenda.

C. Latin America and the Caribbean

25. Against the backdrop of declining intraregional trade, the contribution of South-South cooperation in Latin America and the Caribbean has been more evident in the advancement of regional integration, infrastructure development, and coordination of policies on tourism and on the reduction of economic inequalities. Successive boom-bust cycles in commodity prices[18] pushed Latin America and the Caribbean exports into decline between 2013 and 2015 at a rate not experienced since the Great Depression.[19] In the first half of 2015, the value of Latin America and the Caribbean intraregional trade contracted by almost 20 per cent.

26. The Community of Latin American and Caribbean States (CELAC) held its second and third summits in 2014 (Cuba) and 2015 (Costa Rica). The CELAC 2014 summit discussed an agenda for developing the national resources of the region.[18] Meanwhile, an older summit process for continental integration, the Union of South American Nations, continued to progress towards a full-fledged economic community with a common currency, parliament and passport. In 2015, its Working Group on Financial Integration focused, inter alia, on innovative sources of financing for infrastructure development and a regional reserve system. A third top-level process, the Summit of the Americas that also involves Canada and the United States, convened its twentieth annual session in Panama, with Cuba present for the first time.

27. There have been reports about an official Chinese proposal for a transcontinental railway linking the Pacific coast of Peru to the Atlantic coast of Brazil. Meanwhile, implementation continues on the vast project[20] to link highways, waterways, power grids and telecommunications across the continent.

28. One of the prominent themes underlined during the fortieth anniversary celebrations of the Caribbean Community in 2013 was the need to better leverage

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[16] Economic and Social Commission for Asia and the Pacific and others, *Asia-Pacific Migration Report 2015: Migrants' Contributions to Development* (2016).

[17] Michael A. Clemens, "A case against taxes and quotas on high-skill emigration", Working Paper, No. 363 (Washington, D.C., Centre for Global Development, 2014).

[18] Economic Commission for Latin America and the Caribbean (ECLAC), "Natural resources: status and trends towards a regional development agenda in Latin America and the Caribbean", (Santiago, United Nations, 2013).

[19] *Latin America and the Caribbean in the World Economy: The Regional Trade Crisis — Assessment and Outlook* (United Nations publication, Sales No. E.15.II.G.5).

[20] Initiative for the Integration of the Regional Infrastructure of South America.

the benefits of being in one of the world's most heavily travelled seas and next door to the world's largest economy. A significant step in that direction was the 2015 announcement that China would build a $1.5 billion deep water container port on two of the small islands of Jamaica capable of accommodating mega ships coming through the newly expanded Panama Canal. A 67-km highway financed by China is under construction in Jamaica, with plans for hotels and housing development along its stretch.

29. China has been the region's top lender since 2010 and is the top export market for Brazil, the largest economy of the region. In 2013, the Nicaraguan National Assembly granted a 50-year concession to a private Hong Kong company to build and operate a new waterway paralleling the Panama Canal.

30. In recent years, Latin America has been the only region where the gap between rich and poor has narrowed despite its having had the highest levels of social equality in the South.[1] That success is due to a decade of rapid economic growth that reduced unemployment and credit also goes to social programmes innovated in Brazil to support families financially and with food aid. Brazil, Chile and Mexico led the way in spreading such programmes and related policies to other Latin American States and to other regions through South-South cooperation. The region aims to end hunger entirely by 2020.

31. Central American States have continued to grow despite the regional downturn because of international tourism (see A/70/215). Led by the Central American Integration System, they have succeeded in doubling international tourist arrivals since 2000 to almost 9 million in 2013 and tripling tourism revenues to $9 billion. The Central American Tourism Integration Secretariat is guiding sustainable development through cross-cutting programmes that promote biodiversity, cultural activity and heritage preservation. A notable regional initiative is to protect the Mesoamerican Reef, a natural, cultural and economic asset of inestimable value.

D. Interregional cooperation

32. Interregional summit meetings to set strategies and agendas, enhance policy coordination and launch joint initiatives have been the most visible form of South-South cooperation. The review period saw the sixtieth anniversary of the 1955 Africa-Asia Conference at Bandung, Indonesia, and the fiftieth anniversary of the Group of 77. At the Bandung commemoration, Indonesia announced a permanent Africa-Asia Centre to strategize about what is now the most energetic bicontinental interaction. Other significant summit processes included the third triennial Summit of South American-Arab Countries[21] meeting in November 2015 marking the gathering of the sending and receiving regions of the world's largest Middle Eastern diaspora; their trade has grown from $6 billion to $33 billion in a decade. The Third Africa-South America Summit, in February 2013 (to be followed by one in 2016), called for curbs on tax havens and approved 27 joint projects in diverse fields. The latest Latin America-China, Africa-China and Africa-India summits set strategy for multi-billion-dollar relationships. The China-Latin America and the Caribbean summit in 2014 discussed how to increase trade to $500 billion annually and projected a rise of Chinese investment stock in Latin America to $250 billion in ten

[21] Engaging 22 members of the Arab League and 12 members of Union of South American Nations.

years. The Africa-China meeting signalled an investment strategy shift mirroring declining Chinese demand for African commodities (except timber[22]) and reorientation towards $60 billion in loans and grants for infrastructure development, technical cooperation and capacity-building. The Africa-India summit set support for the New Partnership for Africa's Development over the period 2016-2020 and continued rapid increase in mutual trade (growing 32 per cent in recent years[23]) estimated at $90 billion in 2015. An interregional trade pact, the Trans-Pacific Partnership, was agreed to in October 2015 by 12 countries.

33. During the period covered by the present report, South-South processes drove preparations for two major United Nations conferences: the third International Conference on Small Island Developing States[24] (September 2014) and the Second United Nations Conference on Landlocked Developing Countries (November 2014). The former adopted the Small Island Developing States Accelerated Modalities of Action (Samoa Pathway); the latter resulted in the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024. A third South-South-driven process will culminate in the May 2016 Mid-Term Review[25] of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020.

34. The five BRICS countries (Brazil, Russia, India, China and South Africa) established the New Development Bank that became operational in 2015. The group also initiated action to eliminate by 2020 the so-called "neglected tropical diseases" such as lymphatic filariasis, intestinal worms, blinding parasites, blood flukes and others endemic in about 150 countries and affecting 1 in 6 persons worldwide.

35. Interregional collaborative frameworks have become key means of bolstering South-South trade and investment and other exchanges relevant to the implementation of the Sustainable Development Goals.

IV. Developed countries

36. Triangular cooperation has provided opportunities for Northern and Southern partners to jointly address shared global challenges such as migration, piracy, terrorism and drug trafficking. The review period also saw a number of high-level triangular dialogues and initiatives. The fourth European Union-Africa Summit (April 2014) on their strategic relationship was followed by an emergency summit (November 2015) that established a €1.8 billion Emergency Trust Fund for Africa to deal with the flight of African refugees across the Mediterranean. The first United States-Africa Leaders Summit (August 2014) covered both socioeconomic and military aspects of development, the latter encompassing training, building defence capacity and operations against pirates, terrorist forces and drug traffickers. The annual Ibero-American Summits of 2014 and 2015 engaged Portugal and Spain in a continuing dialogue on matters of common interest with 19 Ibero-American States.

[22] China is now the largest importer of African timber, according to the World Resources Institute.

[23] Confederation of Indian Industry and World Trade Organization, "India-Africa: South-South – trade and investment for development" (2013).

[24] *Report of the third International Conference on Small Island Developing States, Apia, Samoa, 1-4 September 2014* (A/CONF.223/10).

[25] General Assembly resolution 69/231.

37. In the context of continuing problems of varying donor definitions of and conditions for traditional ODA, there has been growing interest in triangular cooperation, a modality fostered by the first Tokyo International Conference on African Development convened by Japan in 1993 in response to the steep decline in development aid. Since then, the summits have been held every five years, attended by many donor countries and operational aid agencies. In 2013, the fifth Tokyo International Conference on African Development drew 41 African leaders, major donor countries and 45 international agencies. The proliferation of triangular cooperation initiatives in other regions of the South has attracted growing analytical attention. In 2014, at the First High-level Meeting of the Global Partnership for Effective Development Cooperation, Mexico and Indonesia led discussions on South-South and triangular cooperation in knowledge-sharing. In 2015, the Ibero-American Programme for Strengthening South-South Cooperation published the first Guidelines for Triangular Cooperation. Driving the effort to define triangular cooperation is the expectation that it will be of increasing relevance to the development agenda.

38. A key quality of triangular cooperation is national ownership and a focus on the high-priority problems identified by developing countries. This characteristic is amply evident in the diversified portfolio of the Japan International Cooperation Agency as it partners with Brazil, Egypt, Mexico, Morocco and Tunisia to assist other developing countries with agriculture and food security challenges; with Malaysia to upgrade ASEAN connectivity and maritime security; and with Cambodia on demining activities.

39. The United States Agency for International Development (USAID), the world's largest development aid programme, has specialized in leveraging public-private partnerships to maximize scale and impact, engaging more than 3,500 private-sector partners and raising more than $20 billion. For example, the New Alliance for Food Security and Nutrition aims to raise 50 million people out of poverty over 10 years by matching African governance reforms with some $8 billion in financial and technical commitments; it has helped to create nearly 37,000 jobs to date and reached over 3 million small farmers. The Power Africa programme partners with governments, the private sector and other stakeholders to increase electricity production. In Asia, USAID is leveraging Indian and Indonesian expertise to address a range of development issues.

40. Aid for trade, an important element in triangular cooperation, is strongly featured in the outcome of the 2014 European Union-Africa summit. The United Kingdom of Great Britain and Northern Ireland is supporting the South East Asia Economic and Trade Policy Network, a Singapore-based regional intellectual property resource promoting economic reforms, boosting growth and increasing cross-border trade and investment. Security is another strong element of the 2014 European Union-Africa summit outcome and the European Union-ECOWAS political dialogue in November 2014. Another strong element of triangular cooperation is environmental cooperation, as exemplified by the German role in supporting the initiative of the Central American Commission on Environment and Development to build compensatory mechanisms for deforestation and forest degradation. In 2015, Indonesia signed an agreement with Norway to continue and broaden their joint support of the high-priority areas of law enforcement, women's empowerment and inclusive education in Afghanistan.

41. The foregoing discussion indicates that the implementation of the universal 2030 Agenda would greatly benefit from triangular cooperation by galvanizing the efforts of the North and the South around shared development objectives.

V. United Nations system

42. In meeting the growing demand for South-South cooperation, organizations of the United Nations system have undertaken numerous wide-ranging South-South cooperation activities during the reporting period. The following paragraphs present illustrative rather than exhaustive examples of the activities that United Nations organizations are supporting during the implementation of the strategic plans that they rolled out in 2014 in response to General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (see A/71/63).

43. Many United Nations entities have reoriented their South-South cooperation strategies, policies and activities in compliance with that resolution, with 23 of 25 organizations surveyed in 2015 integrating the modality into their strategic plans, and 20 of 25 reporting on it in their annual reports (ibid.). Thirteen agencies have staff fully or partly dedicated to South-South cooperation. The United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), the World Intellectual Property Organization and the International Labour Organization had undertaken evaluations and assessments of their South-South cooperation programming policies and strategies (see A/69/153).

44. The UNDP Strategic Plan for the period 2014-2017 is founded on the UNDP system-wide coordination function and the breadth of its country and programme reach, which facilitate the application of South-South cooperation at the country level. UNDP operational support ranges from South-South cooperation capacity-building (in collaboration with Egypt, Indonesia, Iraq, Mexico and Turkey) and regional action through ASEAN, South Asian Association for Regional Cooperation, ECOWAS and the Intergovernmental Authority on Development to interregional projects such as the "100 Think Tanks Initiative". The United Nations Environment Programme (UNEP) is another leader, with South-South cooperation fully integrated into its work as an essential cross-cutting mechanism in building national capacities. Similarly, the World Food Programme Strategic Plan 2014-2017 makes South-South cooperation and triangular cooperation implementation tools for programming and strengthening country and community capacity to build food self-sufficiency, food security and safety nets. The United Nations Population Fund established a new South-South Project in 2015 and is preparing a new corporate plan. The United Nations Special Programme for the Economies of Central Asia, jointly managed by the Economic Commission for Europe (ECE) and the Economic and Social Commission for Asia and the Pacific (ESCAP), serves as a platform for regional policy dialogue, exchange of best practices, and capacity-building for economic and environmental cooperation among Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. United Nations Volunteers has a strategic framework 2014-2017 covering the engagement of thousands of professional volunteers drawn overwhelmingly from the global South and facilitating South-South sharing of skills and experiences. South-South cooperation is also a key principle of the United Nations Volunteers Partnerships Strategy 2014-2017.

45. Every entity in the United Nations system is a South-South and triangular cooperation hub for information-sharing. Among the most focused are the World Bank on-line South-South Knowledge Exchange; the World Intellectual Property Organization Development Agenda database offering news of cooperation initiatives, matchmaking information and links to free or low-cost access to over 20,000 journals, books and reference works; the ECLAC Statistical Conference of the Americas that is working on the "quantification of South-South cooperation";[26] and the United Nations Educational, Scientific and Cultural Organization new Learning Portal with some 1,200 links to help teachers and administrators to improve learning oriented to the 2030 Agenda. The UNDP Asian Solutions Exchange Network and Global Knowledge Facility share information and lessons learned. The Caribbean Risk Management Initiative engages islands in the Caribbean and the Asia-Pacific region in knowledge exchanges on climate-related events. FAO is a hub of knowledge-sharing on South-South and triangular cooperation through a dedicated unit at headquarters and its regional representations. Its large portfolio of ongoing projects and activities includes meetings, study tours, conferences, publications, databases and web platforms. FAO also sets standards for agricultural development; a current example is the collaboration with Morocco to define agricultural adaptation and resilience to climate events.

46. The annual United Nations system Expos organized by the United Nations Office for South-South Cooperation in collaboration with various organizations to disseminate thematic and organizational information have been venues for a multifaceted dialogue on South-South cooperation strategies and programmes. In 2014, the annual Global South-South Development Expo was in Washington, D.C., hosted by the Organization of American States; the same year, Qatar hosted a regional South-South Development Expo. In 2015, Jakarta hosted an Expo on the occasion of the sixtieth anniversary of the Africa-Asia Bandung Conference, and a high-level South-South multi-stakeholder strategy forum was held in Macao, China.

47. Although a few of the agencies that responded to a questionnaire from the United Nations Office for South-South Cooperation cited the resources that they committed to South-South cooperation, it is impossible to quantify the system-wide support for South-South cooperation because current budgetary and reporting arrangements do not permit systematic collection and analysis of information. The International Labour Organization reported that $1.7 million per biennium is devoted to South-South and triangular cooperation activities. UNEP lacks a dedicated budget but has established various Southern trust funds (e.g., the UNEP-China Trust Fund and the Brazil Trust Fund) through which various sustainable development-related South-South cooperation projects are implemented. ECE relies on extrabudgetary and other resources. In UNDP, although financial figures are not available yet, as of 2015, South-South and triangular cooperation had been mainstreamed in 16 per cent of the programmes. One indication of such cooperation is the contributions of developing countries to United Nations system operational activities. Excluding local resources, they amounted to approximately $683 million in 2013, with about 57 per cent of that coming in the form of core resources; in addition, developing countries contributed some $1.3 billion in non-core local resources (see A/70/62-E/2015/4).

[26] South-South cooperation resolution 688 (XXXV), adopted at its thirty-fifth session in Lima, from 5 to 9 May 2014.

48. Most specialized-agency research activities are built into partnership networks. The World Health Organization works through a network of over 800 collaborating institutions to monitor and share information. UNEP has cutting-edge analytical capacities exemplified by its 2014 study on South-South trade in renewable energy.[27] It mobilizes knowledge to build the resilience of vulnerable communities, ecosystems and economies through the Global Adaptation Network with four regional networks in Asia-Pacific, Latin America and the Caribbean, West Asia and Africa. The long-standing partnership programmes of FAO with over 50 countries have developed a clear South-South cooperation orientation in recent years with guidance from its Strategic Framework and Medium-Term Plan.

49. The World Food Programme is developing a corporate partnership strategy incorporating South-South and triangular cooperation. The United Nations Educational, Scientific and Cultural Organization has supported BRICS countries in developing collaborative strategies to improve access to high-quality education for their citizens so as to help to avoid the risk of the middle-income trap. The International Trade Centre works with emerging economies, such as Brazil, China, India and Turkey, to promote value-added trade, investment and technology transfer among these markets and other developing countries. The International Trade Centre aims to increasingly assist firms from lower-income countries to integrate into value chains led by emerging-market enterprises.

50. The regional commissions are increasingly involved in South-South cooperation supporting environmental adaptation and increased resilience in the face of severe climatic events. ESCAP hosted a joint session of the Panel on Tropical Cyclones and the Typhoon Committee in 2015 that heightened cooperation in sharing meteorological satellite data and advanced modelling. In tandem, ESCAP strengthened regional cooperation platforms to give countries access to innovative technologies, especially space applications for effective disaster risk reduction and sustainable development.

51. In a move to strengthen the formal inter-agency mechanism[28] for cooperation and coordination within the United Nations system, the Administrator of UNDP, as chair of the United Nations Development Group, established the South-South and Triangular Cooperation Task Team in 2015. Agencies were asked to designate representational focal points to the Task Team.[29]

52. South-South cooperation was included among the means of implementation of the 2030 Agenda, particularly with regard to capacity development and the application of science, technology and innovation to development. The Technology Facilitation Mechanism was established in 2015 to facilitate sustainable capacity-building and technical assistance for technology development and transfer in developing countries.

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[27] United Nations Environment Programme, "South-South trade in renewable energy: a trade flow analysis of selected environmental goods" (2014).

[28] This was in response to decision 18/1 of the High-level Committee on South-South Cooperation taken in 2014 and General Assembly resolution 69/239.

[29] For more information on the United Nations Development Group South-South and Triangular Cooperation Task Team, see reports SSC/18/IM/1 and SSC/19/2.

VI. Civil society and the private sector

53. South-South cooperation on social and environmental issues increasingly involves civil society organizations and the private sector accounts for the growing flows of South-South trade and investment that are critical to advancing poverty reduction, job creation and other development aims. An example of a civil society organization engaging in South-South cooperation to promote holistic social change is BRAC (formerly the Bangladesh Rural Advancement Committee). It works in a dozen developing countries, spreading the use of microloans, education, health services, environmental adaptability and human rights education.[6] A range of Brazilian civil society organizations and public national institutions are using domestic experience in promoting social change to benefit other developing countries.[6] In the wake of the first Global African Diaspora Summit (South Africa, May 2012), initiatives to create a volunteer corps, a skills database, an institute for remittances, an investment fund and a development marketplace are under way.

54. The challenge of averting climate change has created new civil society organization alliances and initiatives, including philanthropic organizations founded by very wealthy individuals that go beyond traditional grant-making. An example is the Breakthrough Energy Coalition announced in 2015 at the twenty-first session of the Conference of the Parties to the Kyoto Protocol. Backed by a group of more than 20 philanthropists led by Bill Gates, it will partner with governments on Mission Innovation to drive investments in research on clean energy. Also at the twenty-first Conference of the Parties, France and India announced the Solar Alliance, a framework to engage the public, private and civil society organization resources of 120 countries to develop the use of solar energy.

55. Private-sector investment flows to developing countries totalled over $700 billion in 2014, 4 per cent higher than in 2013. FDI into the South now represents 56 per cent of global flows. It constitutes the largest component of financial flows into the South, double the level of migrant remittances, but is highly concentrated in a handful of countries. In 2013, over 45 per cent went to the five BRICS countries. China became the world's largest recipient of FDI in 2014. Flows to Africa increased in the last decade, from $18 billion gross in 2003 to $57 billion in 2013,[30] but remain concentrated in several countries.

56. Corporations are primarily responsible for the regional and interregional trade and investment flows that have powered developing-country economic growth. They have also led in technology transfers to and among developing countries. Examples are Chinese companies Huawei and Xiaomi investing in research and development and manufacturing facilities in India; the Indian conglomerate Tata Group with a presence in 20 African countries planning to grow its business 30 per cent a year in multiple sectors; and Dangote Cement of Nigeria, the largest cement producer in Africa, that opened new production plants in Cameroon, Ethiopia, the United Republic of Tanzania and Zambia in 2015. Others are Johannesburg-based Absa Bank that has been buying up the African business of its parent, Barclays, and has a presence in 12 countries, including Ghana, Kenya and Uganda, as well as its competitors in South Africa, First Rand and Nedbank, that have stakes in Universal Merchant Bank in Ghana and Ecobank, respectively, the latter with branches in 35

[30] *World Investment Report 2014: Investing in the SDGs — An Action Plan* (United Nations publication, Sales No. E.14.II.D.1).

African countries. In Latin America, there is Embraer of Brazil, the world's third largest aerospace company, an important supplier of medium-haul commercial aircraft on five continents.

VII. Challenges and opportunities

57. Developing countries have addressed many of the institutional constraints to South-South cooperation noted in the Buenos Aires Plan of Action but the all-important issue of strategic coherence and direction highlighted by the 2011 Joint Inspection Unit report on South-South cooperation remain, as do important political and security challenges that include terrorism, illicit trade in drugs and arms, armed insurrections and civil wars. In 2015, an unprecedented 60 million people in the South had fled their homes[31] because of armed conflict. The money-laundering system of tax havens and shell companies responsible for the illicit financial transfers out of developing countries is also a major economic constraint.[8]

58. Inadequate finance continues to be a major constraint, not least because it prevents construction of basic transport and communications infrastructure, among other pressing needs. On a positive note, in 2015, China announced that it would make available $3.1 billion for the establishment of the China South-South Climate Cooperation Fund to support developing countries in addressing climate-change challenges. In addition, it said that it would provide $2 billion to assist developing countries towards the implementation of the 2030 Agenda. China also committed to raising its investments in least developed countries to $12 billion by 2030. The New Development Bank and the Asian Infrastructure Investment Bank, each with $100 billion in authorized capital, also offer new opportunities for South-South cooperation but are unlikely to meet the totality of the demand.

59. Commitments have also been made by Southern entities, such as the African, Caribbean and Pacific Group of States, the Organization of Islamic Countries and the Islamic Development Bank to support the activities of the United Nations Office for South-South Cooperation.

60. Inadequate information supportive of South-South cooperation continues to be a major constraint, with much data concentrated on a few websites: those of the United Nations Office for South-South Cooperation, UNCTAD, the regional commissions and the African, Asian and Inter-American Development Banks. However, most United Nations agencies, funds and programmes are beginning to provide information on their engagement in South-South cooperation. The Organization for Economic Cooperation and Development (OECD) and a number of developed countries have become sources of analytical and project-level information on South-South cooperation and triangular cooperation.

61. Information on civil society organization and private-sector involvement in South-South interactions has increased in recent years but is generally inadequate. Mass media attention is focused predominantly on corporations and emerging market trends, not development. Analysts in developing countries have no adequate systems to use available market information effectively. The creation of the Network of Southern Think-tanks (NeST) in 2014 was an important remedial step.

[31] Office of the United Nations High Commissioner for Refugees, *Global Trends* report 2015 (forthcoming).

In 2015, South African organizations established the first national chapter of the Network; if replicated widely in other developing countries, this could integrate existing expert networks and lay the foundation for an interactive web of global connectivity supporting South-South cooperation.

62. The primary constraints on the effective application of South-South cooperation by the United Nations system are inadequate dedicated human and financial resources coupled with a limited capacity to leverage the global presence of the United Nations development system through the effective mapping, dissemination and application of proven development solutions. A possible solution must look to using information and communications technology to integrate and pattern big data in order to set strategy and policy in an interactive matrix while leaving implementation decentralized and responsive to local needs.

VIII. Recommendations

63. There have been broad and significant advances towards the institutional and capacity-building goals of the Buenos Aires Plan of Action, the new directions strategy and the Nairobi outcome document. Since the findings in the present report reaffirm that South-South and triangular alliances currently form an important complementary part of the global partnership for sustainable development, members of the United Nations system should, within their respective competencies and mandates, accelerate support to specific aspects of South-South cooperation that have the greatest potential to contribute to meeting various targets of the Sustainable Development Goals. Measures to harness South-South cooperation to this end would, inter alia, require:

(a) Strategic action on the part of South-South and triangular partnerships to meet the transnational challenges of climate change, energy, health and food deficits by, among other things, making optimal use of the new information and communication technologies to bridge knowledge gaps and to build broad awareness of remedial policies and technologies that should be widely shared across the South through the Technology Facilitation Mechanism;

(b) Effective implementation of the increasing number of subregional, regional and interregional South-South frameworks, particularly those focused on strategic initiatives such as the provision of transport, communication, and energy infrastructure, as well as coordinated policies to bolster agricultural productivity, flows of South-South trade, investment and technology transfer in addition to the application of science, technology and innovation to development, including the acceleration of industrialization in Africa;

(c) Establishment or strengthening of institutions to improve access to essential goods and services in the global South through robust South-South and triangular coalitions, as exemplified by the recent launch of the New Development Bank, the Asian Infrastructure Investment Bank and similar entities that should complement existing institutional arrangements to help meet various targets of the Sustainable Development Goals;

(d) Identification of challenges particular to the developing world and taking of remedial collective action to address them via South-South alliances, such as the

efforts of BRICS countries to concertedly address neglected or communicable diseases and to improve access to high-quality education;

(e) South-South peer learning advanced through effective mapping and sharing of Southern development solutions such as the policies that have proven to work in reducing poverty and socioeconomic inequalities;

(f) Periodic assessment of the development impact of South-South cooperation and the setting of its future direction that should be publicized at key milestones, such as the fortieth anniversary of the adoption of the Buenos Aires Plan of Action in 2018.

United Nations SSC/19/2

South-South cooperation for development

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Comprehensive proposal on concrete ways to enhance the role and impact of the United Nations Office for South-South Cooperation as well as the key measures taken to improve the coordination and coherence of United Nations support to South-South cooperation

Report of the Secretary-General

Summary

The present report, prepared pursuant to General Assembly resolutions 69/239 and 70/222 and decisions 18/1 and 18/IM/1 of the High-level Committee on South-South Cooperation, presents comprehensive proposals to enhance the role and impact of the United Nations Office for South-South Cooperation. The report highlights a number of measures taken or proposed to improve the coordination and coherence of United Nations system support to South-South cooperation and triangular cooperation and notes areas where the structure and functions of the Office require improvement in order to maximize its development impact in the context of the 2030 Agenda for Sustainable Development.

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I. Purpose

1. As requested by the High-level Committee on South-South Cooperation in its decisions 18/1 and 18/IM/1 and by the General Assembly in its resolutions 69/239 and 70/222, the present report sets forth comprehensive proposals for the consideration of Member States on ways to enhance the role and improve the impact of the United Nations Office for South-South Cooperation as the linchpin of a strengthened mechanism for coherent and coordinated support to South-South cooperation across the United Nations system. The overarching objective of the report is to outline a set of measures that would help to improve United Nations system-wide focus, coherence and coordination of South-South cooperation in order to maximize the development impact of such cooperation. The report also highlights the progress made in the implementation of the relevant decisions and resolutions of the High-level Committee and the General Assembly regarding South-South cooperation since the eighteenth session of the High-level Committee in 2014.

2. It is worth noting that United Nations system-wide support to South-South cooperation over the past two years is covered in a report that will also be submitted to the nineteenth session of the High-level Committee on South-South Cooperation (SSC/19/1). The 2016 report on the state of South-South cooperation to be submitted to the seventy-first session of the General Assembly will also provide a more expansive account of United Nations support to South-South cooperation.

3. The consensus emerging from various assessments of the work of the Office is that it needs to improve upon its work programme and organizational structure. The present report focuses on how the Office work programme could be reoriented and how the Office could be restructured for greater efficiency and effectiveness. Section II highlights the progress made in the implementation of the decisions and resolutions of the High-level Committee on South-South Cooperation and the General Assembly since the eighteenth session of the Committee in 2014. Section III looks at the main findings of the midterm review of the implementation of the Office's strategic framework, 2014-2017. Measures that would enable the Office to carry out its broad mandate more effectively are presented in section IV. Proposed measures to improve the management and impact of the Office are set forth in section V, followed by conclusions and recommendations in section VI.

II. Additional measures taken or proposed to improve the coordination and coherence of United Nations system support to South-South cooperation and triangular cooperation in compliance with decisions of the High-level Committee on South-South Cooperation and resolutions of the General Assembly on South-South and triangular cooperation

4. The United Nations Development Programme (UNDP) and other members of the United Nations Development Group have taken a number of concrete measures to help to improve the coordination, coherence and impact of South-South and triangular cooperation. Those efforts respond to decisions 18/1 and 18/IM/1 of the High-level Committee on South-South Cooperation and resolutions 69/239 and

70/222 of the General Assembly that call for strengthened United Nations system-wide support to South-South cooperation. Earlier recommendations contained in relevant reports are also being implemented through the same measures already taken or under way (see SSC/18/IM/1 and SSC/18/3).

A. Actions taken or proposed by the United Nations Development Programme and its Administrator

5. In July 2015, the Administrator of UNDP appointed a new Director of the United Nations Office on South-South Cooperation with extensive country-level experience in different regions, including in supporting South-South and triangular cooperation. UNDP also continued to protect its direct support to the Office through core resources at a time of significant continued pressure on core resources and demand for further cost savings and efficiencies in other areas of UNDP activity and structures.

6. UNDP, working closely with the Office, has developed a draft corporate strategy on South-South and triangular cooperation that emphasizes the complementary strengths of UNDP and the Office and the continuing value of their long-standing institutional relationships. In that context, UNDP proposes to collaborate more closely with the Office to enhance the Office's effectiveness in servicing existing global processes relating to knowledge-sharing, research and analysis, global policy dialogue and intergovernmental forums on South-South and triangular cooperation. The draft strategy has gone through several rounds of consultation with Member States and other partners and most recently through an informal consultation with the Executive Board of UNDP in January 2016.

7. UNDP intends to collaborate with the Office on the systematization, collection, analysis and dissemination of better data and knowledge about the patterns, trends, flows, composition and impact of South-South and triangular cooperation (the who, what, where, how and how well), within a framework that responds to Member State requests and preferences. The objective is to support policymakers, development practitioners and experts from the South and the North to gain more access to requisite information, knowledge and proven experience in order to better apply South-South and triangular cooperation in development initiatives at the country, regional and global levels.

8. As outlined in its draft strategy, UNDP also intends to support research and analysis aimed at the development, testing and application of monitoring and evaluation methodologies specifically tailored to the principles and practices of South-South and triangular cooperation, where such support is requested by Member States. UNDP and the Office would facilitate, upon request, the provision of technical expertise to developing countries and other partners coming together to discuss, debate and build consensus on priorities, principles, opportunities, performance and peer-to-peer learning. The support would particularly benefit countries wishing to explore pathways to the application of South-South and triangular cooperation to measures needed to meet the Sustainable Development Goals. A key feature would be measures to bring the knowledge and experience of Southern and Northern experts to the table for mutual learning and enhanced collaboration.

9. During the United Nations Pledging Conference for Development Activities on 9 November 2015, UNDP urged Member States to consider steps to strengthen their support to South-South cooperation, including through the Office.

B. Actions taken or proposed by the United Nations Development Group South-South and Triangular Cooperation Task Team

10. In recognition of the continued importance placed by Member States on South-South and triangular cooperation, UNDP is providing financial and technical support to the Office and the United Nations Development Group South-South and Triangular Cooperation Task Team to map good practices and lessons learned. With that support, the Office has led work by the Task Team to identify and publish good practices in South-South and triangular cooperation that are relevant to the implementation of the Sustainable Development Goals and their targets. The findings will be published in print and online for use by United Nations Resident Coordinators and country teams when advising governments on national policies and actions for the implementation of the Goals.

11. When the Task Team concludes its mandate at the end of 2016, its work will be reviewed to identify ways to maintain and strengthen United Nations system-wide inter-agency coordination towards the application of South-South and triangular cooperation in the implementation of the Sustainable Development Goals.

C. Actions taken and/or proposed by the Director of the United Nations Office for South-South Cooperation

12. After taking up his appointment in October 2015, the new Director of the Office, in his capacity as Co-Chair of the United Nations Development Group South-South and Triangular Cooperation Task Team, wrote to members of the United Nations Development Group and to Member States requesting those who had not yet done so to nominate focal points for South-South and triangular cooperation. The objective is to have focal points in national governments who can interface with members of the Task Team, and vice versa.

13. The Office has also begun the establishment of a network of Southern centres of excellence, with a view to bolstering their networking with one another and to strengthening the capacity for research and analysis on which the Office can draw regarding issues that require South-South peer learning and collective action. Also under way is work to strengthen South-South cooperation among Southern think tanks in close collaboration with UNDP and other relevant partners.

14. The Office has proposed the establishment, from within existing resources, of a fellowship programme that would involve collaboration with universities of the South and the North. Under the programme, interested academics would be invited to conduct research relevant to South-South and triangular cooperation in various policy sectors and geographical settings as a means of expanding the evidence base for the contributions of South-South and triangular cooperation in meeting the Sustainable Development Goals. The fellowship would make provisions for a major publication as well as a public lecture on the annual United Nations Day for South-South Cooperation.

15. The Office also plans to have staff dedicated to responding to the need for South-South development cooperation among least developed countries, small island developing States, landlocked developing countries and middle-income countries.

III. Summary of the findings of the midterm review of the strategic framework of the United Nations Office for South-South Cooperation, 2014-2017, in the light of the adoption of the 2030 Agenda for Sustainable Development

16. In 2012, the High-level Committee on South-South Cooperation renamed the Special Unit for South-South Cooperation as the United Nations Office for South-South Cooperation. The Office then designed the strategic framework of the United Nations Office for South-South Cooperation, 2014-2017 (DP/CF/SSC/5). The Executive Board of UNDP approved the strategic framework in January 2014.

17. To implement the strategic framework, the Office provides support to global and United Nations policy development and advocacy, in particular the High-level Committee on South-South Cooperation and national focal points for South-South cooperation; inter-agency coordination and facilitation through United Nations focal points and country teams; the facilitation of the development of innovative mechanisms for South-South and triangular cooperation; the fostering of inclusive partnerships and the mobilization of resources from both public and private entities to support multi-agency collaboration in implementing the recommendations in the Nairobi outcome document; and knowledge-sharing, networking and the exchange of best practices, including through Southern centres of excellence.

18. In February and March 2016, the Office conducted a midterm review of its strategic framework for 2014-2017 in accordance with a provision set out in paragraph 40 of the framework and the request by the Secretary-General at the intersessional meeting of the High-level Committee on 8 September 2015 for such a review (see SSC/18/IM/1, para. 55). The full report of the midterm review will be made available as a conference room paper for the nineteenth session of the High-level Committee on South-South Cooperation. The review examined what the Office had achieved during the 2014-2015 period by comparing actual outputs with the outputs outlined in the annex of the strategic framework. As most of the outputs did not have a time frame, it is difficult to determine whether expectations were met; trends, however, can be discerned. A summary of the main findings of the midterm review is presented below.

19. The review concluded that there were a number of areas where the Office had contributed significantly to promoting the principles of South-South and triangular cooperation under the strategic framework. Those included servicing the High-level Committee on South-South Cooperation and producing all the documents requested; working to establish national- and country-level focal points to provide institutional support to the work of the Office; establishing the United Nations Development Group South-South and Triangular Cooperation Task Team, which was important in transitioning to the 2030 Agenda for Sustainable Development; managing funds, including the India, Brazil and South Africa Fund and the Pérez-Guerrero Trust Fund, used to support targeted development projects in countries of the South; and

organizing expositions and meetings for directors general of development cooperation as well as other exchanges and dialogues on successful approaches to managing South-South cooperation for development cooperation professionals. Those types of activities should continue.

20. On the other hand, some of the activities under the strategic framework had not been achieved because of inadequate resources or because they had been assumed by other entities. They included the production of a number of outreach publications that had previously been issued; very limited activity by regional units; recent work of the Global South-South Development Academy that had been taken on by partners; limited use of Web of Information for Development (WIDE) rosters; little or no follow-up to the expositions and difficulty in obtaining funding for such events; and limited exchanges transacted under the South-South Global Assets and Technology Exchange (SS-GATE) at its secretariat in Shanghai China.

21. The review observed that most of the activities that had been developed under the three-in-one multilateral South-South support architecture had served to publicize and showcase South-South development solutions, but that it might be time to explore new opportunities to engage Member States and diverse partners and align the services of the Office with their expressed requests. A realignment process might also include a review of the allocation of resources among the various divisions and units to improve the productivity of the Office.

22. In order to prioritize its efforts to be more responsive to the requests of Member States and the United Nations system and restructure the Office accordingly, the review suggested that the Office consider focusing on providing more effective support to the High-level Committee on South-South Cooperation; analysing and articulating evolving and emerging trends, dynamics and opportunities in South-South cooperation; and supporting South-South cooperation focal points at the national, regional and global levels. More specifically, it recommended focus on the following:

(a) Providing effective secretariat support to intergovernmental bodies, including analytical reporting on trends and opportunities;

(b) Coordinating coherent United Nations system support to South-South and triangular cooperation, and monitoring and reporting on the mainstreaming of that cooperation;

(c) Forging strategic South-South and triangular partnerships;

(d) Mapping Southern development solutions, and becoming a robust knowledge hub on South-South and triangular cooperation;

(e) Undertaking outreach, advocacy and strategic communication on issues of critical importance to the South that call for South-South solutions;

(f) Mobilizing resources and managing the three existing funds and others to be established for South-South cooperation within the purview of the Office.

IV. Enhancing the role of the United Nations Office for South-South Cooperation: streamlined functions and structure

23. Member States are increasingly articulating specific areas where they need United Nations system support to advance their South-South cooperation. Of particular interest to developing countries is support enabling them to gain more access to the knowledge and expertise of other countries of the South and to identify potential Southern development partners. Such needs are most pronounced in areas such as industry, trade and investment, knowledge and technology transfer, economic growth and employment, environment and natural resources management (see A/70/62-E/2015/4). The Office recognizes from the midterm review of the implementation of its strategic framework and other assessments that, despite its achievements over the past two years, its capacity to respond to requests from Member States is limited. Therefore the Office aims to enhance its role and increase its impact through a streamlined work programme, the adoption of cost-saving strategies and by drawing on the strengths of partners in its work at Headquarters and in the field.

A. Headquarters-level functions

24. The Office should have stronger capacity focused primarily on taking innovative actions with regard to the six priorities listed at the end of section III, as follows:

(a) Transform the Office into a more effective secretariat of the High-level Committee on South-South Cooperation, with greater impact across the United Nations system. A transformed secretariat would be able to highlight, through its reports, policy choices for the biennial sessions of the High-level Committee that could contribute to efforts by developing countries to bolster their productive capacities and South-South flows of trade, investment, finance, technology and expertise. Between the biennial sessions of the High-level Committee, the Office secretariat should also bring together policymakers, experts and practitioners to share ideas and learn from one another. That would involve convening issue-based policy dialogues that would attract leading policymakers, experts and development practitioners whose expertise has proven to work in Southern countries that have recently attained fast economic growth and other development gains;

(b) Coordinate coherent United Nations system support to South-South and triangular cooperation, and monitor and report on the mainstreaming of that support in the policies and programmes of the United Nations system. The Office should contribute to the provision of policy advisory services on South-South and triangular cooperation. In particular, it should increasingly aim to bring Southern perspectives into relevant policies and strategies of the United Nations system, including the quadrennial comprehensive policy review and the strategic plans of various United Nations organizations and agencies. In that regard, the Office should continue to lead the United Nations Development Group South-South and Triangular Cooperation Task Team; organize inter-agency meetings; spearhead the formulation of collaborative frameworks for the mainstreaming of South-South and triangular cooperation in the operational activities of the United Nations system; and spur coordinated support to countries preparing to roll out United Nations Development Assistance Frameworks towards the integration of South-South and

triangular cooperation into national development plans and actions. Through more effective monitoring and reporting, the Office should foster accountability regarding the mainstreaming of South-South and triangular cooperation in the policies and operational programmes of the United Nations system;

(c) Develop and deepen strategic South-South and triangular partnerships to foster regional and interregional socioeconomic integration of the South. The Office is well placed to build on its existing partnerships to connect closely with various actors vested in South-South and triangular cooperation, such as the African, Caribbean and Pacific Group of States, the Organization of Islamic Cooperation, the Ibero-American Secretariat and others. That would enable the Office to support regional integration efforts of the South, enhance its resource mobilization and better catalyse the development of new multi-country South-South cooperation strategies and initiatives, leveraging the power of the expanding middle class in the global South. Such partnership-building should include the creation of both official partnership agreements and provider-specific trust funds that involve stronger and broader partnerships and better advocacy with governments, research institutions, civil society organizations, the private sector, foundations and other entities, including through triangular partnerships;

(d) Map Southern development solutions and become a source of expertise on South-South and triangular cooperation. The Office needs to build on its many years of experience in hosting the annual Global South-South Development Expo to raise its profile as a knowledge hub with unrivalled ability to identify, document, showcase and share proven Southern development solutions. The aim would be to highlight South-South development solutions in various policy sectors, as well as initiatives that help to accelerate regional integration through the concerted provision of regional public goods and services. A revamped Office should build capacity to use state-of-the-art technology to reach a global audience, build user-friendly online venues and convene global and regional expositions where concrete collaborative agreements can be reached to kick-start joint ventures, South-South technology transfers and practical knowledge exchanges. In doing so, the Office should coordinate its work with and contribute to various platforms established for the implementation of global frameworks, including the 2030 Agenda for Sustainable Development and its technology facilitation mechanism, the Addis Ababa Action Agenda and the United Nations Framework Convention on Climate Change;

(e) Undertake outreach, advocacy and strategic communication on issues of critical importance to South-South solidarity, global integration and international collective action. With an interdisciplinary staff, the Office should step up utilization of online media to tell compelling stories that highlight innovative solutions from the global South for partners in order to increase awareness of opportunities for peer learning and collective action; convene leading thinkers and social innovators for issue-based dialogue on the priorities of developing countries that require collective solutions; and target influential audiences through mass media, social media and other channels to campaign for transformational change all across the global South. In order to improve access to policy options for South-South cooperation, the Office will also resume the publication of the journal *Cooperation South, Southern Innovator* magazine, the e-newsletter "Development Challenges, South-South Solutions" and other knowledge products, as resources permit;

(f) Mobilize additional resources and manage the United Nations Fund for South-South Cooperation, the Pérez-Guerrero Trust Fund and the India, Brazil and South Africa Fund, and others as they are established. Building on its experience gained in managing several South-South funds, and the success and best practices of other United Nations organizations such as the Food and Agriculture Organization of the United Nations, the Office should seek to attract more financial resources through the establishment of official and documented partnership agreements, which would include the creation of trust funds with the Office in which provider countries could place targeted South-South funding. That approach would help the Office to mobilize and manage resources and improve its day-to-day operations, bringing increased rigour to the way in which the Office defines its strategy, allocates resources, gathers information on operations and evaluates and communicates results to partners.

B. Regional and country-level functions

25. The Office should strengthen its presence in UNDP regional centres in Africa, Asia, Latin America and the Caribbean and the Arab States, including through prioritizing pending appointments. Also needed is a revitalized Office regional programme that focuses on regional development priorities, using South-South and triangular cooperation frameworks and learning events to catalyse or advocate for regional integration and the provision of regional public goods in close collaboration with regional economic commissions. The staff of the Office at the regional level should be more thoroughly integrated into the work of United Nations Development Group regional mechanisms and teams so as to provide expertise on South-South and triangular cooperation to national and regional partners promptly upon request. Furthermore, the UNDP draft corporate strategy envisages opportunities for collaboration between UNDP and the Office that serve as complementary roles for both parties at the global, regional and country levels. At the regional level, and in collaboration with UNDP, the Office needs to:

(a) Support United Nations Development Group regional directors' teams by providing advice on South-South cooperation to country teams in the preparation, implementation and evaluation of common country assessments, "Delivering as One" programmes and United Nations Development Assistance Frameworks, and also support regional data collection efforts, research and analysis and monitoring and reporting on trends in South-South and triangular cooperation;

(b) Bring South-South and triangular cooperation to bear in contributing to the United Nations system-wide response to regional development challenges through training events, advocacy and other initiatives;

(c) Organize high-quality courses, training, programmes and resources on key issues relating to South-South cooperation, and support the identification, documentation and dissemination of information on South-South and triangular cooperation best practices and Southern human and institutional expertise.

26. In addition, at the country level, in consultation with the Resident Coordinator, the Office may contribute to technical support to focal points for South-South cooperation in national governments, United Nations country teams and Southern centres of excellence.

V. Improving the impact of the United Nations Office for South-South Cooperation: institutional and management arrangements

A. Institutional location of the United Nations Office for South-South Cooperation and its relationship with the United Nations Development Programme

27. Three options were assessed on the institutional hosting of the Office in my 2014 report on measures to further strengthen the United Nations Office for South-South Cooperation (SSC/18/3). The first called for the transformation of the Office into an independent United Nations entity, with the intention of strengthening the independence and autonomy of the Office. The second option called for the relocation of the Office to the United Nations Secretariat in order to augment the ability of the Office to advocate for Southern perspectives in the normative work of the Secretariat. The third option recognized the need to maintain a direct relationship between the Office and UNDP given the latter's global network at country, regional and global levels. Its country offices in particular are the front-line hubs of United Nations coordination, programmes and operational support.

28. On the basis of more recent assessments, including the midterm review of the implementation of the strategic framework, I reiterate the above-mentioned recommendation: UNDP should continue to serve as institutional host to the United Nations Office for South-South Cooperation. That preferred option recognizes the extensive UNDP global operations and country office network and the long experience that UNDP possesses in providing substantive and technical expertise in support of South-South cooperation. It also recognizes the management role of UNDP of the resident coordinator system and the renewed policy and programmatic commitment to South-South cooperation highlighted in the UNDP strategic plan for 2014-2017 (DP/2013/40). In addition, it provides the Office with the strongest and most effective platform for working with UNDP and the wider United Nations development system in support of mainstreaming South-South and triangular cooperation in the operational activities of the United Nations development system.

29. Since the Office serves as the substantive secretariat of the High-level Committee on South-South Cooperation, the Economic and Social Council and the General Assembly on matters relating to South-South cooperation, the Office should continue to receive legislative guidance from those intergovernmental bodies and remain accountable to the Administrator of UNDP (see JIU/REP/2011/3 and A/66/717/Add.1, para. 15).

B. Staffing

30. In keeping with the midterm review of the implementation of its strategic framework for 2014-2017, the Office has begun the first phase of reprioritizing its current functions with a focus on the areas outlined earlier.

31. The Office should continue to prioritize its activities and reorganize its staffing profile to focus on areas where it can most effectively support the effective policy development, partnership-building and mainstreaming of South-South and

triangular cooperation in the operational activities of the United Nation system. That will require a clear delineation of responsibilities in order for the Office to better leverage the expertise of other United Nations organizations and agencies, including that of the regional economic commissions. Efforts will be made to ensure that the sectoral and thematic knowledge base and research capacities of various United Nations agencies and other relevant partners are brought to bear in applying South-South and triangular cooperation to the matrix of strategies needed to implement the 2030 Agenda for Sustainable Development, the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation, endorsed by the General Assembly in its resolution 64/222, and other South-South frameworks.

32. To that end, the Office will review its operational projects with a view to discontinuing or transferring the funding of some projects and staff posts to extrabudgetary resources, as appropriate. Those efforts should ensure that core functions of the Office are adequately funded using core resources, as recommended by the UNDP audit of the Office early in 2016, the Joint Inspection Unit review of 2011 (JIU/REP/2011/3) and UNDP evaluations.

33. In response to calls by Member States for the Office to have adequate personnel to fulfil its mandate, the Office proposes augmenting its staff capacity in two phases. Phase 1 would, within existing resources, create new positions in the context of the current strategic framework for 2014-2017. It is envisaged that the new positions would be funded from savings accruing from the adoption of more cost-effective management modalities recommended by the aforementioned UNDP audit. The Office also plans to secure secondments of staff from government and United Nations organizations and agencies. Phase 2, which would coincide with the new strategic framework for 2017-2021, envisages additional positions as resources allow. The Office will seek to enhance its Division for Policy and United Nations Affairs, its Division for Partnerships and Resource Mobilization and its regional programmes. By forging new and revitalized innovative partnerships, the Office will also seek to establish a vibrant South-South fellowship and Junior Professional Officer programme and will invite all Member States, as well as United Nations organizations and agencies, to participate as appropriate.

34. The Office has conducted a comprehensive review of its organizational structure in order to streamline the functions and duties of its personnel and enhance the effectiveness and impact of the Office operations. In addition, acting upon the recommendation of the Office of Audit and Investigations of UNDP, the Office has created a Programme Support Unit in order to ensure more cost-effective management of operational activities such as finance, procurement and personnel, as well as enhanced project monitoring and reporting.

C. Funding

Regular budget resources

35. As stated in my report on measures to further strengthen the United Nations Office for South-South Cooperation, UNDP has acted to ensure the stable and predictable allocation of regular (core) resources to the Office as part of its financial support to the Office towards the implementation of its strategic framework for 2014-2017. Therefore, the annual allocation of core programme resources by UNDP to the Office should not fall below $3.5 million per year over the period of the

framework (i.e., a total of $14 million for the period 2014-2017) (see SSC/18/3, para. 34, and SSC/18/IM/1, para. 37).

Voluntary funding

36. The strategic framework for 2014-2017 of the Office established a target of mobilizing $20 million towards the implementation of the outputs therein. In 2014, the Office received $4.07 million in contributions, while in 2015 it received $6.62 million. Important contributions include $1.4 million from the Government of China and $1.2 million from the Government of the Republic of Korea to the United Nations Fund for South-South Cooperation. The Government of South Africa contributed $2 million and the Government of India contributed $2 million to the India, Brazil and South Africa Fund. Also, $1 million was contributed to the Pérez-Guerrero Trust Fund capital endowment by the Government of Oman through the reallocation of a contribution initially planned for the South Fund for Development and Humanitarian Assistance. Other contributions are listed in the full midterm review report.

D. Leadership

37. In the light of General Assembly resolution 69/239, I reaffirm my intention to designate the Director of the United Nations Office for South-South Cooperation as my Envoy on South-South Cooperation. The Director will serve as my Envoy for the duration of his tenure in that Office and perform that function based on his terms of reference as Director.

VI. Recommendations

38. The current report highlights progress made towards the implementation of recent decisions of the High-level Committee on South-South Cooperation and resolutions of the General Assembly that have called for enhanced coordination and coherence of the United Nations support to South-South and triangular cooperation. The report also highlights measures envisaged to further enhance the role and impact of the Office in order to galvanize more coherent and coordinated United Nations system support to South-South and triangular cooperation towards the implementation of the 2030 Agenda for Sustainable Development. Based on the foregoing discussion, the following is recommended:

(a) The Office should effectively fulfil its mandate and enhance its role and impact across the United Nations system by prioritizing its activities and ensuring that its staffing profile matches its core activities of supporting policy dialogue and intergovernmental processes, partnership-building and mainstreaming of South-South and triangular cooperation in United Nations operational initiatives. That should be coupled with additional personnel funded through cost-saving measures and voluntary contributions;

(b) Since Member States have emphasized South-South cooperation as part of the strategies to help to implement major United Nations frameworks, including the 2030 Agenda for Sustainable Development, the Office should work more closely with UNDP and other United Nations organizations and agencies, Southern centres

of excellence, think tanks and academic institutions with a view to generating more evidence-based data and analysis that would enable the High-level Committee on South-South Cooperation to better provide policy guidance for the advancement of South-South knowledge-sharing, technology transfer and other exchanges essential to meeting the Sustainable Development Goals;

(c) United Nations organizations and agencies have bolstered their support to South-South initiatives in areas such as policy coordination, capacity development, research and analysis, networking, partnership-building and funding. For the improved coordination and greater coherence of those efforts, I urge the United Nations Development Group South-South and Triangular Cooperation Task Team to continue their collaborative identification of good practices in South-South and triangular cooperation that are relevant to the implementation of the Sustainable Development Goals and their targets, and to jointly include them in their financial and technical cooperation interventions for the widespread replication of such practices upon request by Member States;

(d) Close collaboration between UNDP and the Office is essential to improving Member States' access to better data and analysis on the patterns, trends, flows, composition, partnerships, effectiveness and impact of South-South and triangular cooperation. The UNDP Strategic Plan, and its draft corporate strategy on South-South and triangular cooperation now undergoing consultation among Member States, will strengthen those efforts and advance the goals of the strategic framework for 2014-2017 of the Office. Such collaboration should be enhanced to make an impact at the national and regional levels through UNDP regional centres and national focal points for South-South cooperation as well as through United Nations country teams;

(e) South-South and triangular alliances are indispensable parts of the global partnership for development. I encourage the Office and the United Nations Development Group South-South and Triangular Cooperation Task Team to build on their existing partnerships and forge stronger strategic South-South and triangular coalitions at the regional and subregional levels, with a view to bolstering the provision of public goods through international collective action at all levels;

(f) Greater efforts should be made to improve the participation of development cooperation agencies and other related national authorities and South-South and triangular cooperation focal points in the work of the High-level Committee on South-South Cooperation. Measures also need to be taken to improve the effectiveness of the High-level Committee through greater participation by thematic groups comprising national authorities, academia, civil society and the private sector, as appropriate (see JIU/REP/2011/3, para. 85);

(g) The United Nations Fund for South-South Cooperation, the Pérez-Guerrero Trust Fund and the India, Brazil and South Africa Fund managed by the Office are very good examples of effective South-South cooperation. I encourage Member States and other partners in a position to do so to generously contribute to those and other similar South-South funds in efforts to scale up proven development solutions emanating from the global South.

United Nations SSC/19/3

South-South cooperation for development

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Framework of operational guidelines on United Nations support to South-South and triangular cooperation

Note by the Secretary-General

Summary

The present note by the Secretary-General containing the framework of operational guidelines on South-South and triangular cooperation is submitted in compliance with decisions 16/1, 17/1, 18/1 and 18/IM/1 of the High-level Committee on South-South Cooperation and General Assembly resolutions 69/239 and 70/222. The document provides priority actions and performance indicators for United Nations organizations and agencies, including regional commissions, towards mainstreaming their support for South-South and triangular cooperation at the global, regional and national levels. It has been revised to reflect the views of the High-level Committee expressed at its seventeenth and eighteenth sessions and to align the guidelines with the objective of applying South-South and triangular cooperation during the implementation of the 2030 Agenda for Sustainable Development.

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I. Purpose

1. The framework of operational guidelines (hereafter referred to as the "guidance note") is a tool and reference manual on ways to mainstream South-South and triangular cooperation in the development planning and programming of United Nations funds, programmes, specialized agencies and regional commissions at the global, regional and country levels. It also suggests sectoral, cross-border thematic areas where the benefits of South-South interventions could be optimized. The note builds and expands on the previously established Revised Guidelines for the Review of Policies and Procedures concerning Technical Cooperation among Developing Countries (TCDC/13/3).

2. The guidance note was initially prepared in compliance with decision 16/1 of the High-level Committee on South-South Cooperation (see A/65/39), as called for by Member States in the outcome document of the High-level United Nations Conference on South-South Cooperation, held in Nairobi in December 2009 (see General Assembly resolution 64/222). It was also informed by the Joint Inspection Unit report on South-South and triangular cooperation in the United Nations system of July 2011 (JIU/REP/2011/3). Pursuant to decisions 17/1, 18/1 and 18/IM/1 of the High-level Committee and resolutions 69/239 and 70/222 of the General Assembly, it has been revised to reflect the views of the High-level Committee expressed at its seventeenth and eighteenth sessions and to align the guidelines with the objective of applying South-South and triangular cooperation during the implementation of the 2030 Agenda for Sustainable Development. While reiterating the need for full implementation of the previously established guidelines that focus on strategic direction, the Nairobi outcome document and the report of the Joint Inspection Unit point to the urgent need for operational guidance on how to implement the strategic policies on South-South cooperation in practical terms.

3. For South-South and triangular cooperation to have its intended impact, it is necessary to improve overall system-wide policy frameworks, governance, coordination, structures, mechanisms and dedicated resources. Some specific actions to help to bolster the mainstreaming of South-South cooperation in United Nations policies and programmes are (a) working with a common definition; (b) setting up intra-agency support structures, such as a dedicated South-South and triangular cooperation unit in each agency, and focal points at all levels; (c) systematically applying guidelines and guidance; (d) systematically using reporting mechanisms; (e) ensuring, where appropriate, adequate funding from agency budgets; (f) taking effective action at the regional level; (g) matching resources to the United Nations mandates regarding South-South cooperation; (h) developing a coherent strategy for triangular cooperation; and (i) strengthening coordination at the regional and country levels (see JIU/REP/2011/3). In addition, experience gained from the experimental application of these guidelines underscores the need for system-wide inter-agency learning and knowledge management regarding South-South and triangular cooperation.

4. As a living document, the guidance note presents a common, practical and flexible approach to enable the future incorporation of lessons learned and best practices. The note does the following:

(a) It provides operational definitions of South-South cooperation and triangular cooperation, and the benefits of capitalizing on them in addressing global, regional and national development priorities;

(b) It identifies possible entry points and thematic priorities at the global level where United Nations organizations can apply South-South and triangular cooperation approaches when engaging with traditional and Southern development partners, developing South-South cooperation policies and shaping global norms and standards;

(c) It offers country and regional teams a practical approach to mainstreaming South-South and triangular cooperation in United Nations country and regional common planning and programming processes, focusing on entry points and related actions to increase effective engagement with partners;

(d) It suggests a practical set of performance indicators on integrating South-South and triangular approaches into global policies and country and regional planning frameworks, together with tools for quality assurance, monitoring and reporting;

(e) It highlights examples of good practices in South-South and triangular cooperation relevant to the implementation of Agenda 2030 (see boxes I and II below).

5. The General Assembly, through its resolution 70/1 entitled "Transforming our world: the 2030 Agenda for Sustainable Development", has further acknowledged the importance of the regional and subregional dimensions, regional economic integration and interconnectivity in sustainable development. Among the 17 Sustainable Development Goals of Agenda 2030, Goal 17 specifically underlines the necessity of strengthening global partnerships for sustainable development and South-South and triangular regional and international cooperation on such matters as capacity-building, science, technology and innovation.

II. Audience

6. The guidance note is addressed to policymakers and development practitioners working in United Nations funds, programmes, specialized agencies and regional commissions at the global, regional and country levels, especially those responsible for South-South and triangular cooperation initiatives.

7. More specifically, the guidance note is intended for (a) United Nations resident coordinators and staff in resident coordinator coordination offices; (b) United Nations country teams, all agency focal points for South-South cooperation and all agency programme staff; (c) regional United Nations Development Group teams and United Nations staff in peer support groups, who provide quality support and assurance; (d) policy and programme staff in the United Nations regional commissions and regional centres; and (e) policy and programme staff at the headquarters level.

8. United Nations regional and country teams could use the guidance note to enhance United Nations system-wide coherence in regional and country-level common planning processes, such as the preparation of the United Nations Development Assistance Framework, and in situations where Governments express

a demand for South-South cooperation to help to meet the Sustainable Development Goals and other internationally agreed development goals.

III. Operational definitions

9. The 2009 Nairobi outcome document sets forth the rationale, principles and key actors of South-South cooperation as follows:

> ... South-South cooperation is a common endeavour of peoples and countries of the South, born out of shared experiences and sympathies, based on their common objectives and solidarity, and guided by, inter alia, the principles of respect for national sovereignty and ownership, free from any conditionalities. South-South cooperation should not be seen as official development assistance. It is a partnership among equals based on solidarity ... South-South cooperation embraces a multi-stakeholder approach, including non-governmental organizations, the private sector, civil society, academia and other actors that contribute to meeting development challenges and objectives in line with national development strategies and plans (resolution 64/222, annex, paras. 18-19).

10. In response to calls for an operational definition that can be shared within the United Nations system,[1] it is proposed in the present guidance note that, on the basis of the Nairobi outcome document and other relevant sources, United Nations organizations may wish to define South-South cooperation for development as follows: a process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how and through regional and interregional collective actions, including partnerships involving Governments, regional organizations, civil society, academia and the private sector, for their individual and/or mutual benefit within and across regions. South-South cooperation is not a substitute for, but rather a complement to, North-South cooperation. This definition is an attempt to present a cohesive meaning of South-South cooperation within the United Nations system.

Triangular cooperation

11. Triangular cooperation involves Southern-driven partnerships between two or more developing countries supported by a developed country(ies)/or multilateral organization(s) to implement development cooperation programmes and projects. Evidence shows that in many instances, Southern partners in development cooperation require the financial and technical support and expertise of multilateral and/or developed-country partners in the course of assisting other developing countries (see TCDC/9/3). Northern partners also benefit by being able to take advantage of increased institutional capacity in the South and to increase the impact of their aid disbursements by leveraging the resources of multiple Southern partners. Developed countries have increasingly expressed strong support for this approach to development and a willingness to share their experience and lessons learned as long

[1] Recommendation 1 of the Joint Inspection Unit report (JIU/REP/2011/3) calls on the United Nations system to develop and agree on operational definitions of South-South and triangular cooperation and to ensure their dissemination and application, including through workshops and training sessions at headquarters and field level system-wide.

as the triangular cooperation process is led and owned by Southern actors in order to achieve development results.

Growing influence of South-South cooperation

12. South-South cooperation has grown in relevance in the past decade and has been the subject for discussion at a number of major United Nations conferences and other conferences, such as those of the Group of 77 and China and the Group of 20. This surge in interest is due largely to the increasing economic power of the South, the extensive and relevant development knowledge and solutions generated from the South and the increasing evidence of the contribution of South-South cooperation to development results in many countries.

Going beyond traditional South-South cooperation

13. Evidence from actual experience shows that in addition to the sharing of knowledge and experience, South-South cooperation increasingly involves collective actions by multiple countries at the global and regional levels in the pursuit of mutually beneficial development, as seen in the building of economically vibrant regional communities, joint initiatives to address cross-border issues and a collective voice to enhance their bargaining power in multilateral negotiations. It is this energy that the United Nations system must harness as promoter and catalyst of South-South and triangular cooperation.

IV. Priority objectives

14. The Nairobi outcome document makes it clear that current and future work on South-South cooperation builds on the international conferences, summits and resolutions and the progress made since the Buenos Aires meeting. It reiterates the principles and strategies that guide South-South and triangular cooperation and identifies the following five priority objectives of United Nations support:

(a) Support national and regional development efforts;

(b) Strengthen institutional and technical capacities;

(c) Improve the exchange of experience and know-how among developing countries;

(d) Respond to the specific development challenges of developing countries;

(e) Increase the impact of international cooperation.

15. United Nations organizations can help to achieve these goals by fostering an understanding of the benefits of South-South cooperation and identifying and capitalizing on entry points in policy, planning and programming processes at the global, regional and country levels with the aim of implementing the 2030 Agenda and the Sustainable Development Goals.

V. Guiding principles

16. The Nairobi outcome document identifies the following policy and operational principles of South-South and triangular cooperation:

(a) Normative principles

- Respect for national sovereignty and ownership
- Partnership among equals
- Non-conditionality
- Non-interference in domestic affairs
- Mutual benefit

(b) Operational principles

- Mutual accountability and transparency
- Development effectiveness
- Coordination of evidence- and results-based initiatives
- Multi-stakeholder approach.

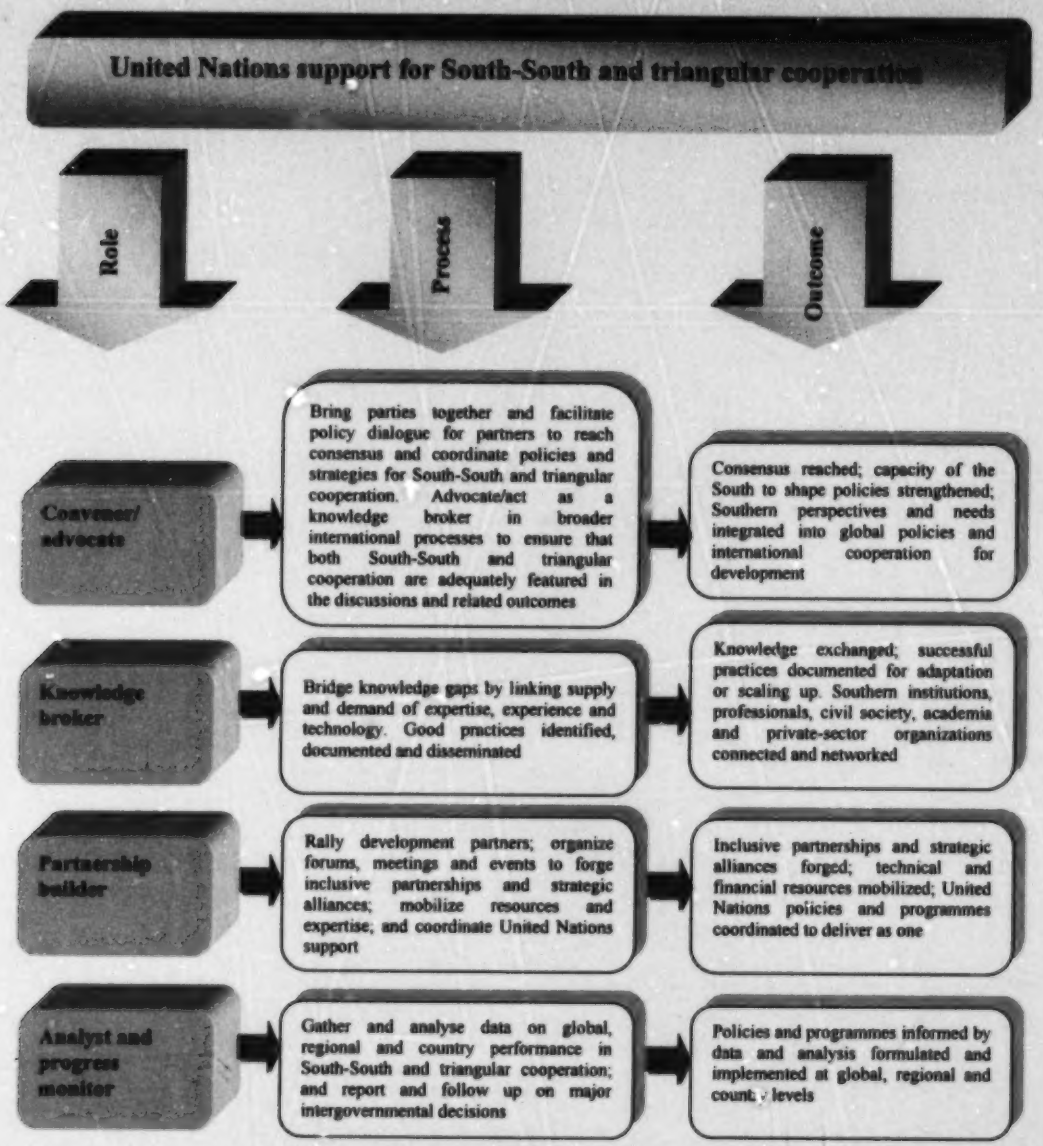
17. In line with the principles of national sovereignty and ownership, developing countries themselves initiate, organize and manage South-South cooperation activities. Financing and programme inputs are likewise the primary responsibility of developing countries. Developed countries and the organizations of the United Nations development system play promotional and catalytic roles, as elaborated in section VI below, and do not take the lead in executing South-South operational activities, which remains solely the domain of the developing countries themselves.

VI. United Nations role in South-South and triangular cooperation

18. The High-level Committee on South-South Cooperation, a subsidiary body of the General Assembly, is the primary policymaking entity on South-South cooperation in the United Nations system.

19. In the Nairobi outcome document, the High-level Conference requests the United Nations system to help developing countries to establish or strengthen South-South centres of excellence, within their respective areas of competence, and enhance closer cooperation among such centres of excellence, especially at the regional and interregional levels, with a view to improving South-South knowledge-sharing, networking, mutual capacity-building, exchanges of information and best practices, policy analysis and coordinated action among developing countries on major issues of concern.[2] These actions are summarized in the figure below.

[2] This has been stated repeatedly in United Nations decisions and resolutions, including in the more recent Nairobi outcome document and the aforementioned 2011 report of the Joint Inspection Unit on South-South and triangular cooperation.


United Nations support for South-South and triangular cooperation
Role
Process
Outcome
Convener/ advocate
Bring parties together and facilitate policy dialogue for partners to reach consensus and coordinate policies and strategies for South-South and triangular cooperation. Advocate/act as a knowledge broker in broader international processes to ensure that both South-South and triangular cooperation are adequately featured in the discussions and related outcomes
Consensus reached; capacity of the South to shape policies strengthened; Southern perspectives and needs integrated into global policies and international cooperation for development
Knowledge broker
Bridge knowledge gaps by linking supply and demand of expertise, experience and technology. Good practices identified, documented and disseminated
Knowledge exchanged; successful practices documented for adaptation or scaling up. Southern institutions, professionals, civil society, academia and private-sector organizations connected and networked
Partnership builder
Rally development partners; organize forums, meetings and events to forge inclusive partnerships and strategic alliances; mobilize resources and expertise, and coordinate United Nations support
Inclusive partnerships and strategic alliances forged; technical and financial resources mobilized; United Nations policies and programmes coordinated to deliver as one
Analyst and progress monitor
Gather and analyse data on global, regional and country performance in South-South and triangular cooperation; and report and follow up on major intergovernmental decisions
Policies and programmes informed by data and analysis formulated and implemented at global, regional and country levels

20. Normative and substantive support to South-South cooperation is provided by various organizations of the United Nations system in their respective areas of competence. Progress and achievements are expected to be reported biennially by United Nations focal points, through the United Nations Office for South-South Cooperation, to the High-level Committee on South-South Cooperation.

21. The United Nations Office for South-South Cooperation, as the secretariat for the General Assembly High-level Committee on South-South Cooperation, is mandated to promote, coordinate and provide support for South-South and triangular cooperation on a global and United Nations system-wide basis. As part of its support for the High-level Committee, the Office analyses trends, emerging

issues and opportunities for promoting South-South and triangular cooperation approaches to development. In addition, it works to build new partnerships with civil society and the private sector; identify new funding mechanisms, mobilize resources and manage various intergovernmental South-South trust funds; follow up on major Group of 77 conferences and summits; monitor and report on United Nations system progress in South-South and triangular cooperation; and organize the annual United Nations Day for South-South Cooperation. Additionally, the United Nations Office for South-South Cooperation chairs the South-South and Triangular Cooperation Task Team of the United Nations Development Group.

VII. Approach

22. The mainstreaming of South-South cooperation in United Nations support for development should be aimed at pursuing sustained economic growth and sustainable development in the South through global, regional and national development planning processes, policies and programmes that help to:

(a) Integrate the sharing of Southern knowledge, expertise and technologies into regional and national capacity-development initiatives;

(b) Provide support to efforts of developing countries towards regional integration;

(c) Provide support to efforts of developing countries to increase their bargaining power in bilateral and multilateral negotiations;

(d) Provide support to developing countries and other partners in convening forums for dialogue, formulating informed common positions and building consensus during bilateral and multilateral negotiations;

(e) Provide support to efforts of developing countries to identify relevant Southern partners for collaboration in thematic areas relating to sustainable development;

(f) Mobilize Southern financial and other resources for development purposes;

(g) Apply South-South and triangular cooperation towards the achievement of the Sustainable Development Goals.

23. The guidance note identifies entry points in policy and programming at the global, regional and national levels as well as practical options for consideration when mainstreaming South-South and triangular cooperation in regional and country-level planning and programming of development cooperation. It follows the steps of standardized United Nations development planning processes, such as the United Nations Development Assistance Framework process at the country level. However, the Secretary-General, in the note containing his comments and those of the Chief Executives Board for Coordination on the Joint Inspection Unit report (A/66/717/Add.1), suggests that the framework of operational guidelines on South-South cooperation should allow room for various organizations and agencies to mainstream South-South and triangular cooperation in keeping with their respective mandates and priorities.

24. The key performance indicators on mainstreaming South-South and triangular cooperation presented in the present guidance note were adopted from the United Nations revised guidelines on South-South cooperation (see TCDC/13/3), the Nairobi outcome document, the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries[3] and various good practices in South-South and triangular cooperation for use at the global, regional and country levels by United Nations funds, programmes and specialized agencies.

25. At the regional level, a formal United Nations Development Assistance Framework-type common planning framework has been recommended by the Joint Inspection Unit but does not yet exist.[4] However, United Nations regional teams can still use these suggested steps as a guide in developing their own planning and programming.[5] At this level, South-South cooperation is best implemented through United Nations regional coordination arrangements and support to such existing frameworks as the New Partnership for Africa's Development (NEPAD) and regional groupings, treaties and agreements.

26. At the global level, the mainstreaming of the internationally mandated South-South policy directives, as set out in Buenos Aires and Nairobi, begins with agencies ensuring that South-South cooperation is integrated into their corporate policy and programming frameworks, such as those of the International Labour Organization (ILO), the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP), the United Nations Environment Programme (UNEP) and other organizations, which in turn inform work at the regional and country levels.

VIII. Priority mainstreaming actions at the country and sectoral levels[6]

27. Table 1 below sets out a series of catalytic actions to consider when facilitating the integration of South-South and triangular cooperation into each step of the United Nations Development Assistance Framework process at the country level. The actions could also be helpful in mainstreaming South-South and triangular cooperation using other policy and programming tools. The suggested actions are a practical means of orienting users at each stage of the process at the United Nations country team and agency levels and helping them to assess capacity and identify challenges and gaps. The actions on monitoring and evaluation help to

[3] *Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978* (United Nations publication, Sales No. E.78.A.II), chap. I.

[4] For an example of a regional approach to South-South cooperation, see the report of the Inter-American Development Bank entitled *Regional Public Goods: An Innovative Approach to South-South Cooperation*. Also informative are the annual reports of the Ibero-American General Secretariat.

[5] The United Nations Development Programme (UNDP) has changed the rules governing its projects and programmes to allow for multi-country South-South and triangular cooperation projects and partnerships.

[6] For examples of good practices in South-South and triangular cooperation, see https://undg.org/home/undg-mechanisms/sustainable-development-working-group/south-south-and-triangular-cooperation-task-team.

ensure that the results framework captures South-South cooperation targets for future reporting and planning. As such, they are also useful when developing the United Nations Development Assistance Framework monitoring and evaluation plan (see the 2016 United Nations Development Assistance Framework guidelines for detailed information on each step).

Table 1
Catalytic actions for mainstreaming South-South and triangular cooperation in the United Nations Development Assistance Framework process

Step	*Section*	*Catalytic action*
1. Road map[a]	1.1. Review of existing analytical work on the relevant country(ies)	**Assess opportunities for sharing information on Southern policies, knowledge and experience** 1. Use existing analysis to determine institutional, human, technical and technological needs of the country that can be met through cooperation with other developing countries 2. Use new or existing analysis to determine capacity assets in neighbouring countries and/or regions that can provide assistance with capacity development **Assess opportunities for access to affordable technology** 3. Provide assistance in the identification of the productive capacities in the country that are at low and high levels 4. Provide assistance to the Government in cost/benefit analysis and in identifying the benefits of sourcing needed technological solutions from either the North or the South **Assess opportunities for collective action** 5. Provide support to the Government in identifying the challenges facing the country that require collective action at the subregional, regional, interregional and global levels **Assess opportunities for a collective voice** 6. Provide assistance to the Government in determining what interests/priorities require South-South alliances and collective bargaining by the South as well as the issues that require international dialogue on a South-South or North-South basis **Assess opportunities for triangular partnership-building** 7. Provide assistance in the identification of the sectors that require triangular cooperation owing to the lack of readily accessible expertise, technology or funding from developing countries

Step	*Section*	*Catalytic action*
	1.2 Engagement with relevant stakeholders in mapping the national planning process	**Assess opportunities for South-South policy coordination**
		8. Identify the South-South policy frameworks to which the country is party as entry points for policy coordination and support the integration of South-South good practices into national policy, planning and budgeting
		9. Provide support to Southern countries in designing or improving policies, laws and regulations that facilitate their engagement in South-South and triangular cooperation
		10. Provide support for efforts to ensure that opportunities for South-South trade, investment and development assistance are integrated into national policies and strategies through various sectors as well as subnational policies and strategies
		11. Provide support for efforts to identify areas that require South-South agreements and actions, such as cross-border forest reserves, shared river basins, interstate highways, customs services, Internet connectivity, wireless services and power pools
		Assess opportunities for South-South and triangular programme formulation
		12. Provide support to the Government and other stakeholders in identifying the capacity assets (in the Government, civil society, academia and the private sector) that the country wishes to market or share
		13. Identify countries that can benefit from a country's expertise and/or technology as well as countries that could help to meet its capacity needs
		14. Provide support for efforts to establish a national entity responsible for the coordination of South-South and triangular cooperation
	1.3. Ensure a South-South perspective in identifying United Nations country team comparative advantages, strengths and capacity gaps	**Assess opportunities for South-South and triangular programme implementation**
		15. Ensure that the United Nations country team is aware of the content of mandates requesting the provision of United Nations system support for South-South and triangular cooperation
		16. Ensure that the United Nations country team has access to good South-South practices relating to the Sustainable Development Goals and the capacity to provide support for South-South and triangular cooperation, focusing on priority areas such as the sharing of knowledge and experience, technology transfer, capacity development, peer-to-peer learning, collective bargaining and regional integration through the provision of support to knowledge and professional networks, centres of excellence, civil society and academic organizations that foster South-South exchanges

Step	*Section*	*Catalytic action*
		17. **Ensure that the United Nations country team has the capacity to provide support for cross-border initiatives benefiting a large number of developing countries, South-South collective action in addressing transnational challenges, and technical and economic cooperation among developing countries through greater exchange of technical expertise**
		18. **Ensure that the United Nations country team has the capacity to foster South-South intraregional partnerships among middle-income countries, least developed countries, small island developing States and landlocked developing countries**
		19. **Determine those aspects of the work of the United Nations system that need strengthening to achieve development results that require cooperative action on the part of developing countries and work to strengthen them.**
2. South-South cooperation perspective in country analysis	2. Contribute to country analysis	**Assess opportunities for South-South cooperation during support to country analysis**
		20. **Provide assistance in determining what political, social and economic needs and challenges relating to sustainable development would be best met through South-South and triangular cooperation in terms of sharing knowledge, experience and technology, cross-border initiatives and/or dialogue, treaties and agreements with other Southern countries**
		21. **Provide assistance in determining how collective action with neighbouring countries can be best integrated into sectoral policies and strategies**
		22. **Provide support to regional integration efforts and facilitate South-South exchanges as well as the coordination of macroeconomic policies among neighbouring countries in order to address common challenges**
		23. **Provide assistance in building understanding of the economic, social, environmental and/or political risks and opportunities presented by South-South cooperation in areas such as infrastructure development, knowledge-sharing, policy coordination and institutional capacity development**
		24. **Identify and encourage the Government and other stakeholders to prioritize national development initiatives with spillover benefits to neighbouring countries**
3. Strategic planning	3.1. Selecting 3 to 5 national priorities on which to focus	**Assess opportunities for including South-South and triangular cooperation in United Nations Development Assistance Framework priorities**
		25. **Acquire sufficient information to be able to distinguish transnational challenges that require collective action from those that require a national response**

Step	*Section*	*Catalytic action*
		26. Gather information on the various agreements that the country has concluded or needs to negotiate with its neighbours and other Southern partners
		27. Determine which United Nations Development Assistance Framework programmes and projects require a subregional approach and what steps are needed for their formulation, funding, implementation and evaluation
		28. Identify what mechanisms exist within regional United Nations country teams for the coordination of cross-border initiatives and advocate for national capacity development with a regional perspective
		29. Identify patterns and trends in South-South flows of trade, investment, finance and other exchanges in order to assess the contribution of South-South cooperation to development
		30. Identify measures needed to fund cross-border initiatives and support related resource mobilization
	3.2. United Nations Development Assistance Framework outcomes provide a collective support system for national development	**Ensure a South-South cooperation perspective in aligning United Nations Development Assistance Framework outcomes and support to national Governments**
		31. Provide assistance in ensuring that the United Nations Development Assistance Framework identifies opportunities for accessing Southern development assistance, technology transfer and capacity development
		32. Provide assistance in ensuring that the United Nations Development Assistance Framework includes performance targets and indicators to increase subregional and regional public goods that are essential to South-South flows of trade, investment and other exchanges
	3.3. Consideration of South-South cooperation in agency planning and programming	**Screen agency programmes and projects for inclusion of South-South and triangular cooperation**
		33. Ensure that the proposed programmes or projects identify opportunities for Southern collective action, peer learning, sharing of knowledge and experience, and technology transfer
		34. Ensure that the proposed programmes identify factors hindering mutually beneficial South-South cooperation and include measures to address them
		35. Provide assistance in ensuring that measures are taken to determine whether South-South approaches to national programming are more cost-effective compared with other programming modalities
		36. Identify the most successful South-South programmes supported by United Nations country teams for possible scaling up in the country and beyond

Step	*Section*	*Catalytic action*
4. Monitoring and evaluation	4. Results contributing to national priorities	**Assess opportunities for including South-South cooperation in monitoring and evaluation indicators** 37. Evaluate the development impact of South-South collective action, peer learning, collective bargaining, and exchanges of knowledge, experience and technology 38. Ensure that the monitoring and evaluation of programme implementation take into account the benefits and risks of South-South cooperation among emerging economies, least developed countries, small island developing States and landlocked developing countries 39. Ensure that the monitoring and evaluation of programme implementation take into account the contribution of South-South and triangular cooperation to poverty reduction and the Sustainable Development Goals 40. Evaluate the level of cooperation among United Nations agencies in their support to cross-border initiatives and in dealing with transnational challenges 41. Assess the extent to which Southern institutions, experts, technologies and other good practices are involved in the implementation of the programme 42. Assess the extent to which the United Nations country team supports efforts towards subregional and regional integration

[a] All catalytic actions under this step should be repeated during the country analysis.

Table 2
Country-level performance indicators on South-South and triangular cooperation
(see box I below for a practical example of how these indicators can be applied)

Strategy and programme implementation	
United Nations country team:	• Conducts research to identify areas where South-South and triangular cooperation can have the most development impact • Integrates South-South cooperation into United Nations development strategies and programme implementation • Provides support for Government efforts to identify a country's comparative advantage(s) to provide technical expertise or technology to other developing countries' partners as well as the area(s) where it can benefit from the expertise and/or technology of other developing countries • Identifies areas for subregional and regional South-South cooperation for capacity development and other initiatives and plays a catalytic, convening and brokering role to move these partnerships forward

- Regularly identifies and documents Southern development solutions for its development programmes and projects
- Ensures that, to the maximum extent possible, United Nations programmes and projects use inputs available locally and those from other developing countries
- Has a focal point on South-South and triangular cooperation

Peer-to-peer learning, capacity development and collective action

United Nations country team:

- Enhances the country's capacity to formulate and implement cooperation programmes for the benefit of groups of countries
- Provides support for peer-to-peer learning within and throughout regions and assistance to programme countries in developing capacities to maximize the benefits and impact of South-South and triangular cooperation
- Provides support for the establishment of institutional arrangements essential to the management of South-South cooperation activities and strengthens the capacities of regional and subregional organizations
- Takes a collective approach to capacity development that maximizes individual agency strengths and systematically takes South-South and triangular cooperation into consideration
- Continuously explores the interest of national Government, civil society and private sector partners in taking leadership roles in regional cooperation and facilitates South-South cooperation
- Provides assistance to Governments, in particular in least developed countries and small island developing States, to gain access to the Web of Information for Development (WIDE) and other development-oriented information networks and platforms
- Is familiar with the main South-South cooperation funding mechanisms and provides assistance to Governments to gain access to these sources
- Provides advice to interested Governments on existing South-South exchange platforms and facilitates the engagement of national practitioners in such exchanges
- Provides capacity development training to national partners and country office staff on how to plan, manage and monitor South-South and triangular cooperation

Information-sharing and awareness-raising

United Nations country team:

- Promotes information-sharing and monitoring of South-South and triangular cooperation activities and promotes awareness of the benefits of South-South and triangular cooperation
- Strengthens sectoral, thematic, subregional and/or regional information systems on South-South and triangular cooperation
- Provides support to national partners in developing-country-led systems to evaluate and assess the quality and impact of South-South and triangular cooperation programmes and to improve data collection at the national level to promote cooperation in the development of methodologies and statistics
- Provides support to national partners in documenting and disseminating information on innovative projects and experiences in South-South and triangular cooperation

- Monitors and reports on its own support to, and results achieved through, South-South and triangular cooperation
- Promotes and disseminates good practices in South-South cooperation at different regional and global events to promote knowledge exchange and partnerships
- Uses the occasion of the annual United Nations Day for South-South Cooperation, celebrated on 12 September, to promote awareness of the benefits of South-South and triangular cooperation

Box I

Role of United Nations country teams and individual multilateral organizations in brokering high-impact South-South knowledge exchanges through South-South and triangular cooperation

South-South knowledge exchange has gained prominence among policymakers and development practitioners. Such knowledge exchanges involve the sharing of experiences or expertise among development practitioners whereby those facing particular challenges can learn from peers who have solved similar problems.

This approach has proved to be an efficient way for countries to explore new policies and discover innovative solutions. While each knowledge exchange is different, the World Bank has stated that the most effective exchanges include six common elements that make up the knowledge-exchange life cycle. In its view, paying attention to all six elements yields the best results. This life cycle is demonstrated below through a South-South knowledge exchange between Viet Nam and Turkey.

Challenge: The Vietnamese Social Security Administration faced difficulties in delivering adequate services to its citizens owing to poor coordination and inadequate information and communications technology (ICT) systems. It turned to many countries for a solution, including Bulgaria, Latvia and Turkey, where the World Bank had assisted Governments in reforming the social security administration.

Solution: Vietnamese officials discovered that the relevant department in Turkey had found a solution that was the most adaptable to the challenge that Viet Nam was facing. Collaboration with their Turkish counterparts resulted in a solution that enabled Viet Nam to improve service delivery.

Below are the steps that United Nations country teams and individual multilateral organizations should follow to ensure the systematic transfer of knowledge among countries:

1. **Goal:** *Clearly define the problem and articulate the goals.* In the example above, Viet Nam understood the need for a modern, fair and transparent social security administration system.

2. **Brokering:** *Identify the relevant partner with requisite know-how.* Conduct a thorough capacity and needs assessment in the provider and recipient country/countries to identify the relevant solution provider(s). With the support of the World Bank, Viet Nam identified Turkey as a suitable knowledge provider since the country had previously faced a similar challenge and had successfully reformed its social security administration system.

3. **Financing:** *Identify an adequate and sustained source of funding.* Viet Nam was able to secure adequate funding from the World Bank.

4. **Design:** *Identify the relevant knowledge and the instruments for knowledge exchange.* Organize study tours, conferences and expert visits among the countries involved. Vietnamese high-level officials went on a study tour to Turkey and participated in a learning workshop with key Turkish personnel. After the study tour, Vietnamese officials held a national workshop for their staff in social security and related technical departments where Turkish officials presented their successes and best practices in project management and Vietnamese officials shared the lessons learned from their study tours.

5. **Implementation:** *Carry out the exchange.* Facilitate an ongoing exchange with participants in the recipient country/countries and ensure flexibility in implementation. In Viet Nam, the knowledge exchange schedule was managed by a facilitator who insured that the agenda was strictly followed and key adjustments made, as necessary, to derive the most benefits from the initiative.

6. **Sharing results:** *Measure the results and share the lessons learned.* Viet Nam came up with a plan to increase access to pension and health insurance programmes. Recognizing that its ICT system needed an overhaul to achieve its goal, Viet Nam succeeded in modernizing its ICT system with lessons learned from Turkey.

Source: Adapted from information provided by the World Bank. Available from http://wbi.worldbank.org/sske/story/supporting-administrative-reform-social-security-vietnam and http://wbi.worldbank.org/sske/resource-library/government-officials-guide-video-english.

IX. Priority mainstreaming actions at the regional level

28. Most South-South interactions occur within regional neighbourhoods owing to commonality of history, language, culture, ethnicity and geographical proximity. Regional neighbourhoods are also well suited to South-South collaboration to address such cross-border issues as infrastructure development, customs procedures, migration laws and climate change.

29. United Nations support for South-South and triangular cooperation at the regional level is beneficial when targeted at initiatives to better foster capacity development through intraregional sharing of knowledge, expertise and technology; the adoption of joint negotiation positions; and the pooling of financial and other resources. Such support should be integrated into existing efforts towards regional integration through related regional frameworks, cooperation programmes, treaties and agreements such as NEPAD, the Union of South American Nations and the Arab League and Agenda 2063. The processes and actions that United Nations regional teams need to consider in their policies, planning and programming on South-South and triangular cooperation at the regional level are summarized in table 3.

Table 3
Mainstreaming South-South and triangular cooperation at the regional level

Nature of programme[a]	*Objective*	*Lead partner(s)*	*Process*	*Catalytic actions by United Nations regional teams*
1. Cooperation programmes (led by one or two Southern countries)	Promote and support technical cooperation among countries in the region through implementation of regional frameworks, agreements, treaties and programmes	One or two developing countries providing technical expertise for multiple participating countries in the region	Led by the lead partner countries, jointly identify, negotiate, formulate and implement projects and programmes	• Support the establishment of common frameworks for groups of countries to promote concrete and effective actions in order to achieve shared development objectives, working closely with individual United Nations country teams in developing country-specific operational programmes according to respective countries' priorities and the means at their disposal to contribute to collective problem-solving • Facilitate development-related interactions among public and private organizations/academic institutions of developing countries to identify, negotiate, formulate and implement joint projects and programmes collectively agreed • Facilitate the identification and sharing of good practices and inputs from experts within and across regions at various phases of the project • Identify centres of excellence that have documented good practices • Support the creation of networks of technical experts that facilitate training and exchanges of good practices • Support the formulation of regional programmes and action plans for their implementation[b]

Nature of programme[a]	*Objective*	*Lead partner(s)*	*Process*	*Catalytic actions by United Nations regional teams*
2. Cooperation programmes (led by multiple Southern countries)	Promote South-South cooperation and ties among groups of countries in the region Programmes focus primarily on addressing regional challenges but are adapted to and integrated into national strategies and plans (national development with a regional perspective)	Multiple participating countries	Programmes are designed and executed jointly by all countries, with each partner contributing technical and/or financial resources according to its capacity	See catalytic actions under item 1 above
3. Triangular cooperation programmes (involves participating developing countries and donor countries)	Transfer, inter alia, technical expertise of one country to all other participating countries in the region through triangular arrangements	Multiple participating countries, including donors, and United Nations agencies	Upon request from one or more recipient countries for, inter alia, technical expertise, provider(s) and the recipient country(ies) jointly design programmes in collaboration with a donor country(ies) and a United Nations agency(ies)	In addition to those listed under item 1 above: • Support the creation of an international technical centre in provider country(ies) • Coordinate plans, actions with United Nations country team(s) in recipient country(ies) • Promote South-South cooperation in the donor community

Nature of programme[a]	*Objective*	*Lead partner(s)*	*Process*	*Catalytic actions by United Nations regional teams*
4. Sectoral/ thematic regional programmes (led by United Nations organizations)	Promote South-South cooperation on thematic/ sectoral issues	United Nations specialized agencies and other regional organizations	United Nations specialized agencies and organizations coordinate policies and undertake regional programmes in their areas of competence	• Serve as a hub for information and technical expertise and coordinate work/activities of United Nations country teams and relevant line ministries in groups of countries in the region • Advocate for adoption of coordinated national policies among countries in the region on sectoral/thematic issue(s) • Coordinate regional activities in specific areas of competence

[a] For examples of regional South-South and triangular cooperation programmes, see the annual report of the Ibero-American General Secretariat entitled *Report on South-South Cooperation in Ibero-America*.

[b] For examples of South-South approaches to the provision of regional public goods, see the annual report of the Inter-American Development Bank entitled *Regional Public Goods: An Innovative Approach to South-South Cooperation*.

Table 4
Regional performance indicators on South-South and triangular cooperation

Strategy and policy formulation	
Regional team or commission:	• Supports the formulation and implementation of frameworks, agreements, treaties and action plans for subregional, regional and interregional integration th ough South-South cooperation • Uses annual meetings of the regional coordination mechanism as a tool to advance system-wide cooperation and coordination in support of development objectives through South-South cooperation • Has an established and functioning focal point, part of whose portfolio is dedicated to promoting South-South and triangular exchanges and collective action at the subregional, regional and interregional levels • Actively advocates and promotes South-South cooperation at the regional and interregional levels
Peer-to-peer learning, capacity development and collective action	
Regional team or commission:	• Takes measures to strengthen intra- and interregional linkages between subregional and regional organizations with similar interests, mandates and complementary capacities • Works with regional institutions to jointly identify development problems that are interregional in scope and have a South-South cooperation dimension • Promotes the development of joint programmes among subregional, regional and interregional organizations

	• Identifies capacity assets and gaps or needs at the regional and interregional levels where new collaborative arrangements can be developed
Information-sharing and awareness-raising	
Regional team or commission:	• Sets up monitoring and evaluation systems to measure their South-South cooperation activities and includes a section in their annual reports on their contribution to South-South cooperation, including on thematic issues periodically
	• Conducts evaluations of the function of South-South cooperation in regional organizations, institutions and arrangements and their capacity to promote South-South cooperation
	• Supports the establishment of common frameworks for groups of countries to promote concrete and effective actions to achieve shared development objectives
	• Works with individual United Nations country teams in developing country-specific operational programmes according to respective countries' priorities and the means at their disposal to contribute to collective problem-solving
	• Facilitates development-related interactions among public and private organizations/institutions of developing countries to identify, negotiate, formulate and implement joint projects and programmes collectively agreed
	• Facilitates the identification and sharing of good practices and inputs from experts within and throughout regions
	• Supports the creation of networks of technical experts and institutions that facilitate exchanges of good practices and skill-development supply chains
	• Supports the formulation of regional programmes and action plans for their implementation

Box II

Role of United Nations country teams in the implementation of cross-border, subregional and regional South-South cooperation initiatives

Beyond the traditional forms of international collaboration that involve the sharing of knowledge and experiences, South-South cooperation has proved very effective when multiple developing countries jointly pursue their socioeconomic development, address cross-border issues and/or collectively voice shared concerns to enhance their bargaining power in multilateral negotiations. Below are a few illustrative examples of such high-impact South-South initiatives.

A. Pharmaceutical Procurement Services, Organisation of Eastern Caribbean States

Challenge: Access to affordable medicine is a major challenge, in particular for individual developing countries with small populations because such countries tend to procure medicines in small quantities.

Solution: The 11 members of the Organisation of Eastern Caribbean States (OECS) discovered collective means of reducing the costs of health-care services for their citizens by pooling the procurement and management of pharmaceutical and medical supplies by the public sector. Pharmaceutical Procurement Services (PPS) aggregates country demands, issues a centralized tender and pays suppliers from the accounts of the countries at the Eastern Caribbean Central Bank.

The initiative not only offers pooled procurement but also provides countries with a wide range of related services, including training and technical assistance, common drug formulary manuals, drug utilization studies and quality assurance, thereby sharing benefits, skills and knowledge throughout the region.

Evidence has shown that, with the creation of a sizeable market basket for 20 essential medicines, the regional prices were 20 per cent lower than the prices that a country would pay if it procured the same medicines on its own. Continuous annual cost savings accrued after 30 years have reinforced PPS as an excellent cost-benefit model of economic and functional cooperation among OECS countries. PPS has also expanded its 840-product portfolio to include a diverse set of non-pharmaceutical items, including medical supplies, contraceptives and X-ray items. By forming a monopsony (single buyer), the programme has led to significant economies of scale by increasing its bargaining power with over 50 competing suppliers.

More information on OECS is available from http://www.oecs.org.

B. Benguela Current Commission: Three countries manage shared resources that none could adequately secure on their own

The Benguela Current Large Marine Ecosystem (BCLME), stretching northwards in the Atlantic Ocean from the coast of South Africa along the entire coastline of Namibia into Angola, is one of the richest ecosystems on earth, with fish stocks and other goods and services worth an estimated $54.3 billion annually.

Challenge: BCLME is very vulnerable, owing to human activities such as oil and gas exploration, diamond mining, marine transport, and fishing endangering the natural habitat on which a vast wealth of marine life depends.

Solution: To remedy this situation, Government leaders from Angola, Namibia and South Africa made cooperative arrangements to improve the management of the BCLME. To that end, they jointly established the transboundary Benguela Current Commission (BCC), which applies the large marine ecosystem approach to ocean governance — an outstanding model of South-South cooperation to benefit regional neighbourhoods.

Today, the BCC promotes a coordinated regional approach to long-term sustainability for the BCLME. Safeguarding this valuable ecosystem confers many economic and other benefits on the three countries without damage to the environment. By working in tandem and cross-sectorally, Angola, Namibia and South Africa are taking critical steps to ensure the long-term future of their shared ocean-based economies and societies.

More information on the BCC and its activities is available from http://www.benguelacc.org/index.php/en.

C. New Rice for Africa (NERICA)

Challenge: Although rice is the staple food for over 400 million people in West Africa, most of it is imported at a cost of close to $1 billion annually.

Solution: Efforts to promote self-reliance in rice production in the region and across Africa were initiated by 17 West African countries with a view to reducing the expenditure on rice imports in the 1990s. Those efforts were advanced through collaborative research by a network of national partners and regional and international research centres of excellence, supported by donors and multilateral institutions through triangular cooperation arrangements.

By 1994, those research efforts had resulted in the development of NERICA, a cross-breed of two species of cultivated rice (one from Africa and one from Asia) that revolutionized rice production in West Africa and beyond. The many positive characteristics attributed to NERICA include rapid early vegetative growth; a shorter growing period; better resistance or tolerance to drought; resistance to major African endemic insects, pests and diseases; and improved yields.

NERICA has had great success in Africa. Recent figures show that 60 lowland, 18 upland and 4 irrigated NERICA varieties were successfully developed and are being replicated; many NERICA varieties were successfully tested in 31 sub-Saharan countries and were grown on more than 700,000 hectares; and harvesting takes place more than once a year. NERICA has had an adoption rate of up to 68 per cent by farmers. In addition, it has reportedly helped to improve school attendance rates owing to its being less labour intensive, its generation of higher revenues and its attractiveness to women farmers.

More information on NERICA is available from http://www.africarice.org/publications/nerica-comp/Nerica%20Compedium.pdf and http://ibrarian.net/navon/paper/Food_Security_o_RICE_IN_WEST_AFRICA.pdf?paperid=160054.

See the column "Catalytic actions by United Nations regional teams" in table 3 for actions that need to be taken to foster similar high-impact regional, subregional and cross-border initiatives.

X. Priority mainstreaming actions at the global level

30. Table 5 below provides suggestions for a step-by-step approach to mainstreaming South-South cooperation in global policies and programmes. The steps and sub-steps reflect those used within the United Nations system for planning, implementation, monitoring and reporting. They can therefore be easily integrated into procedures and systems currently in use. The table presents a set of priority actions as well as tools and examples that each United Nations organization working at the agency and inter-agency levels (that is, individually and collectively) may wish to consider using in tandem with their agency-specific South-South cooperation tools.

Table 5
Mainstreaming South-South and triangular cooperation in policies and programmes at the global level

Main steps	*Sub-step areas*	*Actions*	*Tools*	*Examples*
Assessment				
	Corporate policies and practices	• Assess corporate policies and practices to determine if they facilitate and prioritize the adoption of South-South cooperation approaches to development as mandated	• Key mandates on South-South cooperation from United Nations conferences, the General Assembly and various United Nations executive boards	• Nairobi outcome document • Quadrennial comprehensive policy review resolutions • Buenos Aires Plan of Action • ILO South-South triangular cooperation strategy • UNDP Strategic Plans • UNDP draft South-South cooperation strategy • UNEP South-South cooperation policy guidance • WFP policy on South-South and triangular cooperation • United Nations Population Fund (UNFPA) South-South cooperation strategy • FAO South-South cooperation strategy
	Staff and institutional capacities	• Assess United Nations staff and institutional capacities needed to mainstream and promote South-South cooperation in global policies and programmes and to monitor and evaluate them	• Terms of reference for staff, units/departments responsible for South-South and triangular cooperation	• Staff and institutional arrangements responsible for South-South cooperation at FAO, ILO, the United Nations Conference on Trade and Development (UNCTAD), UNDP, UNEP, the International Fund for Agricultural Development (IFAD) and the World Bank

Main steps	*Sub-step areas*	*Actions*	*Tools*	*Examples*
				• Terms of reference of the South-South and Triangular Cooperation Task Team of the United Nations Development Group
	Partners and opportunities	• Identify and engage in a continuous dialogue with a broad range of potential partners and identify opportunities to mobilize resources through multi-stakeholder partnerships with Governments, civil society, think tanks, the private sector and Southern-led international financial institutions of the South and the North • Examine the existing global, regional and national South-South and triangular cooperation frameworks	• Partnership agreements, memorandums of understanding, subregional and regional integration agreements/ treaties	• UNDP partnership agreements with emerging economies • World Bank partnership agreements on South-South knowledge exchange • FAO South-South cooperation agreement with China and other countries • WFP Centre of Excellence against Hunger in Brazil (partnership between WFP and the Government of Brazil) • India-Brazil-South Africa Dialogue Forum • NEPAD
	South-South initiatives	• Measure development impact of United Nations-supported South-South cooperation policies and programmes • Identify strategic initiatives, thematic areas (for example, trade, investment, debt, environment, poverty alleviation, production and employment, macroeconomic policy coordination and aid management) and cross-boundary programmes where South-South	• Performance indicators in document SSC/19/3 • Good practices handbook and online portal	• UNCTAD reports on South-South flows of trade, investment and finance • Inter-American Development Bank report on regional public goods and South-South cooperation • Reports of the Secretary-General on the state of South-South cooperation • Evaluation of UNDP contribution to South-South cooperation

Main steps	Sub-step areas	Actions	Tools	Examples
		cooperation would be likely to have a major impact (see TCDC/9/3, para. 35)		• Department of Economic and Social Affairs reports to the Development Cooperation Forums • UNEP report to the UNEP Governing Council
Integration				
	Staff awareness-raising and capacity-building	• Establish a set of training components (including for joint inter-agency training as well as cooperating partners) to raise staff awareness and build staff capacity to mainstream, promote and track progress in South-South cooperation activities • Organize in-house training and awareness-raising seminars, with the possibility of also involving staff of cooperating partners	• Document SSC/19/3 • Common country assessment and United Nations Development Assistance Framework guidelines • United Nations Office for South-South Cooperation online course/manual	• FAO training in South-South cooperation • Development Operations Coordination Office/ United Nations System Staff College planning events for United Nations Development Assistance Framework roll-out countries • ILO South-South cooperation focal points network
	Working mechanisms	• Set up South-South cooperation units, online communities of practice on South-South cooperation and a working group/ mechanism within the inter-agency structure • Establish within each bureau a focal point for promoting South-South cooperation activities • Design organization chart and terms of reference for the special South-South cooperation units and focal points, and, where	• See functions of focal points in document TCDC/13/3	• UNEP South-South cooperation exchange mechanism • World Bank Institute/ South-South Knowledge Exchange Community • Terms of reference for the South-South and Triangular Cooperation Task Team of the United Nations Development Group • Terms of reference for South-South cooperation units (UNCTAD, UNDP and UNEP)

Main steps	*Sub-step areas*	*Actions*	*Tools*	*Examples*
		possible, standardize their core functions		
	Targets	• Set specific targets for mainstreaming South-South cooperation in policies and programming early to ensure that they form a key part of the monitoring and evaluation framework	• Document SSC/19/3	• Document SSC/19/3 • Strategic framework of the United Nations Office for South-South Cooperation • ILO South-South technical cooperation strategy • ILO manual on how to guide South-South and triangular cooperation and decent work • UNEP guidelines on South-South cooperation • UNDP draft strategy on South-South cooperation • UNFPA strategy on South-South cooperation • FAO Quick Guide to South-South Cooperation • FAO South-South cooperation strategy
	Partnerships	• Reach out to South-South and triangular cooperation partners in international forums and conferences to establish regional or thematic/ sectoral South-South cooperation framework agreements with various partners, emerging economies, donor countries, non-governmental organizations and the private sector • Study and apply terms of existing South-South	• See sub-step area "Partners and opportunities" above	• FAO tripartite agreements with pivotal countries • IFAD-China South-South Cooperation Initiative • India-Brazil-South Africa Dialogue Forum • ILO agreements with Brazil and India-Brazil-South Africa Dialogue Forum countries • United Nations Educational, Scientific and Cultural Organization

Main steps	Sub-step areas	Actions	Tools	Examples
		cooperation partnership frameworks		(UNESCO) agreement with Malaysia • Global Compact • Forum on China-Africa cooperation • India-Africa forum • China-Community of Latin American and Caribbean States (CELAC) forum • Turkey-Africa partnerships
	Financing/ resource mobilization	• Promote global arrangements to finance South-South cooperation	• Reports on South-South financing for development, Department of Economic and Social Affairs	• FAO-China Trust Fund • UNESCO-Malaysia Trust Fund
		• Explore the possibility of increasing country allocations and programme resources (from core budgets, if possible) • Work with donor partners in promoting triangular cooperation arrangements and other funding modalities, with a view to exploring innovative resource mobilization approaches aimed at strengthening the capacity of Southern partners to contribute to South-South and triangular cooperation		• Japan International Cooperation Agency • WFP twinning arrangements • China Fund on energy • Complementary contribution to the tenth replenishment of IFAD (IFAD 10) for South-South and triangular cooperation
	Knowledge-sharing mechanisms	• Establish or update existing knowledge-sharing mechanisms • Improve, expand and update existing information on South-South cooperation	• Online platforms • Knowledge fairs/events • Publications • Good practices databank	• Mapping of the practices of the South-South and Triangular Cooperation Task Team of the United Nations Development Group

Main steps	*Sub-step areas*	*Actions*	*Tools*	*Examples*
		capacities, including inventories of institutions • Document and disseminate practices that have the potential for replication • Support the expansion of regional centres of excellence		• UNEP South-South cooperation exchange mechanism • World Bank South-South Knowledge Exchange • FAO South-South Cooperation Gateway • Sustainable Development Goals Fund • Web of Information for Development (WIDE) rosters • Global South-South Development Academy • Global South-South Development Expo • South-South Global Assets and Technology Exchange • Global Labour University network • *Sharing Innovative Experiences* • *Southern Innovator* • *South-South in Action* newsletter • Southern think tanks, research centres, professional associations, universities • WFP Centre of Excellence against Hunger in Brazil • WFP Nutrinet • *The South-South Quarterly: UNDP Newsletter for South-South and Triangular*

Main steps	*Sub-step areas*	*Actions*	*Tools*	*Examples*
				Cooperation for Sustainable Human Development
Tracking progress				
	Indicators	• Design global indicators that reflect targets for mainstreaming and promoting South-South cooperation at the global level and foster their use in agency and inter-agency results frameworks • Integrate South-South cooperation indicators into existing monitoring systems	• Document SSC/19/3	• Document SSC/19/3: online reporting through United Nations Office for South-South Cooperation surveys • Various United Nations agencies' reporting mechanisms
	Data collection and management	• Collect, process, store and share relevant South-South cooperation data in a sustained manner	• World Bank South-South Knowledge Exchange • UNEP South-South exchange mechanism	• World Bank South-South Knowledge Exchange • UNEP South-South exchange mechanism
	Monitoring and evaluation	• Use existing systems to monitor, evaluate and report on the contribution of United Nations-supported South-South cooperation to development • Produce thematic studies on South-South cooperation • Conduct periodic evaluations, using South-South cooperation indicators as a basis	• United Nations Office for South-South Cooperation online surveys • UNDP online reporting system (Operations Support Group) • Various United Nations agencies' evaluation mechanisms	• Evaluation of UNDP contribution to South-South cooperation • Reports of the Secretary-General on the state of South-South cooperation • UNDP Administrator's report to the UNDP/UNFPA Executive Board • Reports to the High-level Committee on South-South Cooperation • Report of the Secretary-General on the quadrennial comprehensive policy review

Table 6
Global performance indicators on South-South and triangular cooperation

Strategy and policy formulation

United Nations agency:

- Adopts and makes South-South cooperation a corporate policy and priority, as reflected in corporate policy and programming frameworks
- Has a representative on the South-South and Triangular Cooperation Task Team of the United Nations Development Group
- Integrates South-South cooperation either as a strategy or a distinct element of global, regional and country programmes
- Designates specific units and/or individuals as focal points
- Actively advocates for, promotes and mainstreams South-South cooperation
- Systematizes funding for South-South cooperation under regular/programme budgets (actual or estimated resources allocated for South-South cooperation in budget lines)
- Has measures for information and data collection and analysis, coordination and evaluation of South-South cooperation and triangular cooperation as well as the evaluation of their development impact
- Has measures to coordinate support for South-South cooperation with other United Nations organizations and agencies

Peer-to-peer learning, capacity development and collective action

United Nations agency:

- Supports developing countries' effective participation and their follow-up to major global conferences (as applicable) and the ensuing results
- Facilitates forums/events to, inter alia, further South-South policy coordination and dialogue, intellectual exchanges, trade/investment promotion, matching of capacities and needs, and business-to-business fairs
- Supports South-South networks (including information networks) and centres of excellence, and their ensuing results
- Supports major regional, subregional and interregional South-South cooperation schemes and their ensuing results
- Promotes the involvement of the private sector and of non-governmental organizations (NGOs) in transparent and equitable South-South cooperation activities
- Promotes concrete South-South transfer/exchange of technologies, expertise and skills as a result of direct intervention
- Researches and compiles inventories and directories of Southern institutions and capacities in the organization's area of expertise
- Trains headquarters and field staff in South-South cooperation

Innovative approaches to South-South cooperation

United Nations agency:

- Develops and builds on innovative approaches that substantially expand South-South cooperation (especially in terms of intra-South cooperation in trade, investment and finance, industry and enterprise development, agriculture, food security and nutrition, environment and energy, health and population, and information and communications)
- Identifies, compiles and disseminates successful development Southern practices relevant for achieving the Sustainable Development Goals, for possible replication
- Explores innovative approaches to mobilizing resources for South-South cooperation (including from Governments of developing countries, donors under triangular arrangements and other sources)
- Explores innovative approaches to broadening partnerships for South-South cooperation, especially with the private sector, academia and NGOs

XI. South-South funding options

31. Access to adequate funding is critical for successful South-South and triangular cooperation, together with support from agency headquarters. United Nations country teams should assist programme countries to gain access to Southern sources of finance for the funding of their South-South and triangular cooperation activities. In this context, country teams need to familiarize themselves with the characteristics, including the purpose, mission and focus, of all relevant South-South funding mechanisms. In particular, they may wish to consider identifying the following:

(a) The main purpose of South-South funding, that is, project finance through concessional and soft loans, balance of payment and budget support, technical cooperation and humanitarian assistance;

(b) Regional/subregional, bilateral and multilateral cooperation forums and platforms for South-South funding, becoming familiar with their objectives, missions and philosophies. Examples of forums through which significant South-South development assistance is being channelled are the Forum on China-Africa Cooperation, the India-Africa Forum, the China-CELAC forum and Arab-Latin America cooperation;

(c) Southern institutions through which funding is mainly channelled, for example, technical cooperation agencies, development banks (for example, the New Development Bank BRICs and the Asian Infrastructure Investment Bank), export-import banks and Southern philanthropic organizations;

(d) The comparative advantages of providers of Southern development assistance as well as their priority sectors/areas of focus in South-South and triangular cooperation.

32. Table 7 below provides examples of Southern institutions and South-South funding mechanisms, together with their area/sector of focus in South-South cooperation.[7]

Table 7
Southern institutions and funding mechanisms, and their area/sector of focus in South-South cooperation

Southern institutions and funding mechanisms	*Example*	*Sector/area of focus*
Export-import banks	• Export-Import Bank of China (China EXIM Bank)[a]	• Provide concessional loans for various infrastructural and construction projects, and credit and project financing for domestic companies investing in other countries of the South
	• Export-Import Bank of India (EXIM Bank of India)[b]	
	• Brazilian Development Bank (BNDES)[c]	
Multilateral institutions	• New Development Bank (NDB BRICs)	• Provide loans, grants, equity capital and other forms of financial assistance to member countries as well as financial assistance for socioeconomic development in other countries of the South
	• Arab Fund for Economic and Social Development (AFESD)[d]	
	• Arab Bank for Economic Development in Africa (BADEA)[e]	
	• Islamic Development Bank (IsDB)[f]	
	• Organization of the Petroleum Exporting Countries (OPEC) Fund for International Development (OFID)[g]	
Southern funds	• Kuwait Fund for Arab Economic Development[h]	• Provide loans, grants, equity capital and other forms of financial assistance to member countries as well as financial assistance for socioeconomic development in other countries of the South
	• Saudi Fund for Development[i]	
	• Abu Dhabi Fund for Development (ADFD)[j]	
	• Nigeria Trust Fund (NTF)[k]	
Southern philanthropy	• Mohamed bin Rashid Al Maktoum Foundation[l]	• Has an endowment of $10 billion, the largest foundation in the Arab region and among the largest in the world
	• Dubai Cares[m]	• With an endowment of $1 billion, Dubai Cares supports primary education in developing countries
Development banks	• Asian Infrastructure Investment Bank (AIIB)	• Provide loans for infrastructural investments in Asia and other regions

[7] A number of Southern institutions provide different forms of financing for development. These are presented here as examples based on their significance as discussed in the report. *Development Cooperation for the MDGs: Maximizing Results* (United Nations Department of Economic and Social Affairs, 2010).

Southern institutions and funding mechanisms	*Example*	*Sector/area of focus*
	• BRAC Bank[n] and Grameen Bank[o]	• Provides small loans, mainly to women, to set up small businesses
	• Bank of the South	• Provides loans for social programmes and infrastructure development
Other funding mechanisms	• Petrocaribe Energy Cooperation Agreement[p]	• Through the Petrocaribe Energy Cooperation Agreement, the Government of the Bolivarian Republic of Venezuela provides a low-cost supply of petroleum and related products to other countries of Latin America and the Caribbean

[a] http://english.eximbank.gov.cn/.
[b] www.eximbankindia.com/.
[c] www.bndes.gov.br/SiteBNDES/bndes/bndes_en.
[d] www.arabfund.org/.
[e] www.badea.org/.
[f] www.isdb.org/irj/portal/anonymous.
[g] www.ofid.org/.
[h] www.kuwait-fund.org/.
[i] www.saudinf.com/main/l104.htm.
[j] www.adfd.ae/pages/default.aspx.
[k] www.afdb.org/en/about-us/nigeria-trust-fund-ntf/.
[l] www.mbrfoundation.ae/ENGLISH/Pages/default.aspx.
[m] www.dubaicares.ae/en.
[n] www.bracbank.com/.
[o] www.grameen-info.org/.
[p] www.petrocaribe.org/.

33. Table 8 below provides examples of triangular sources of support to South-South collaboration.

Table 8
Examples of triangular sources of support to South-South collaboration

Mechanism	*Objective/mission*
African Development Bank South-South Cooperation Trust Fund	Provides support to African countries in mobilizing and taking advantage of development solutions and technical expertise available in the South
German Agency for International Cooperation (GIZ)	Works with Southern partners towards complementing one another's strengths to deliver lasting development results
Ibero-American Programme for Strengthening South-South Cooperation	Provides institutional and technical support to strengthen and revitalize South-South cooperation within Latin America
Japan-UNDP Partnership Fund	Contributions from Japanese funding for UNDP-managed projects, including South-South initiatives

Mechanism	*Objective/mission*
United Nations Fund for South-South Cooperation	Main United Nations trust fund for promoting and providing support for South-South and triangular cooperation
United States Agency for International Development (USAID)	Engages with emerging economies to provide assistance to low-income countries in meeting development needs
World Bank South-South Experience Exchange Facility	Focuses on sharing knowledge and expertise in overcoming poverty

34. Examples of South-South partnerships and collaboration for sustainable development are presented in table 9 below.

Table 9
Examples of South-South partnerships and collaboration for development

Nature of the partnership	*Example*	*Objective/mission*
Bilateral	• China-Africa partnership[a] • India-Africa partnership[b] • Turkey-Africa partnership[c] • Republic of Korea-Africa partnership[d] • Other bilateral cooperation arrangements	• Contribute to development through the provision of concessional loans and grants, support for infrastructure, debt relief, market access, support for human resources development, technical assistance, peacekeeping and other actions
Trilateral	• India, Brazil and South Africa (IBSA) Dialogue Forum[e]	• Through the IBSA Fund, provides support for viable South-South projects to fight poverty and hunger that can be scaled up and replicated in developing countries
Interregional initiatives	• China-Latin America partnerships • New Asian-African Strategic Partnership • Africa-South America partnership • Afro-Arab partnership • Arab-Latin America partnership	• Promote economic, political and sociocultural ties among countries of the regions

[a] www.focac.org/eng/zt/yf/t192831.htm.
[b] www.indiaafricapartnership.com/.
[c] http://africa.mfa.gov.tr/turkiye-afrika.en.mfa.
[d] www.mofat.go.kr/ENG/countries/middleeast/local/index.jsp?menu=m_30_50_20.
[e] www.ibsa-trilateral.org/.

35. In addition to the above-mentioned South-South cooperation funding mechanisms, other multilateral financing mechanisms provide funding for South-South cooperation. The Perez-Guerrero Trust Fund for South-South Cooperation is a United Nations fund established to provide support for South-South cooperation. It furnishes seed money for financing and facilitating the implementation of South-

South projects.[8] Similarly, the World Bank South-South Experience Exchange Facility (SEETF) is a flexible funding mechanism that facilitates just-in-time South-South knowledge and experience exchanges. It is designed to respond to specific demands from low-income countries that wish to learn from their counterparts in other developing countries.[9]

[8] www.g77.org/pgtf/.
[9] http://wbi.worldbank.org/sske/sske/donors.